

Please Note: These transcripts are not individually reviewed and approved for accuracy.

CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD  
BUSINESS MEETING

DATE AND TIME: THURSDAY, JANUARY 21, 1999

PLACE: CITY OF INDUSTRY COUNCIL CHAMBERS  
15651 STAFFORD STREET  
CITY OF INDUSTRY, CALIFORNIA

REPORTER: BARBARA R. REISDORF, RPR, CSR  
CERTIFICATE NO. 7415

APPEARANCES

DANIEL G. PENNINGTON, CHAIRMAN  
ROBERT C. FRAZEE, VICE CHAIRMAN  
DAN EATON, BOARD MEMBER  
STEVEN R. JONES, BOARD MEMBER  
DAVID A. ROBERTI, BOARD MEMBER

STAFF PRESENT

MR. RALPH CHANDLER, EXECUTIVE DIRECTOR  
MS. KATHRYN TOBIAS, LEGAL COUNSEL  
MS. MARLENE KELLY, COMMITTEE SECRETARY  
MS. PATTY BERTRAM  
MS. PIPER MIGUELGORRY

## I N D E X

{UOn}PAGE NO.{UOff} CALL TO ORDER	6
ROLL CALL AND DECLARATION OF QUORUM	6
OPENING REMARKS	6
{UOn}REPORTS AND PRESENTATIONS{UOff}	
LOCAL PRESENTATIONS	8
ORAL REPORTS FROM BOARD MEMBERS	18
ORAL REPORT FORM THE EXECUTIVE DIRECTOR AND STAFF	21
ORAL REPORT ON THE STATUS OF THE 21ST CENTURY POLICY DEVELOPMENT PROCESS	24
CLOSED SESSION	24
NEW BUSINESS AGENDA ITEM	
{UOn}WASTE PREVENTION AND MARKET DEVELOPMENT{UOff}	
1. CONSIDERATION OF APPROVAL OF RECYCLING MARKET DEVELOPMENT REVOLVING LOAN PROGRAM APPLICATION FOR GWS NURSERY & SUPPLIES, INC.	43
2. STATUS OF DEFAULTED RECYCLING MARKET DEVELOPMENT LOAN FOR TIGON INDUSTRIES AND CONSIDERATION OF OPTIONS FOR REMEDIATION OF THE TIRE PILE AT THE TIGON INDUSTRIES WASTE TIRE SITE, RIVERSIDE COUNTY	49
{UOn}PUBLIC HEALTH AND SAFETY AND ENVIRONMENTAL {UOff}	

{UOn}PROTECTION{UOff} {UOn} {UOff}

3. CONSIDERATION OF THE ADOPTION OF THE 76  
NEGATIVE DECLARATION (SCH-98042070)  
AND PROPOSED REGULATIONS FOR THE  
FARM AND RANCH SOLID WASTE CLEANUP  
AND ABATEMENT GRANT PROGRAM (SB 1330),  
CALIFORNIA CODE OF REGULATIONS,  
TITLE 14, DIVISION 7, CHAPTER 11,  
ARTICLES 1-5

{UOn}PERMITS, LEA AND FACILITY COMPLIANCE{UOff}

4. CONSIDERATION OF A REVISED SOLID 81  
WASTE FACILITY PERMIT FOR THE  
MID-VALLEY SANITARY LANDFILL,  
SAN BERNARDINO COUNTY

{UOn}LOCAL ASSISTANCE AND PLANNING COMPLIANCE{UOff}

5. CONSIDERATION OF STAFF RECOMMENDATION 90  
ON THE ADEQUACY OF THE AMENDED  
COUNTYWIDE SITING ELEMENT FOR  
SAN BERNARDINO COUNTY

6. CONSIDERATION OF STAFF RECOMMENDATION 93  
TO CHANGE THE BASE-YEAR TO 1995 FOR  
THE PREVIOUSLY APPROVED SOURCE  
REDUCTION AND RECYCLING ELEMENT FOR  
THE CITY OF IRVINE, ORANGE COUNTY

7. CONSIDERATION AND APPROVAL FOR 99  
RENUMBERING THE RESOLUTIONS FOR LAKE  
COUNTY SUMMARY PLAN, SITING ELEMENT,  
AND COUNTYWIDE INTEGRATED WASTE  
MANAGEMENT PLAN APPROVED ON  
DECEMBER 15, 1998 BY THE BOARD

8. CONSIDERATION OF AWARDING CERTIFICATES 101  
OF ACHIEVEMENT TO JURISDICTIONS THAT  
SATISFIED THE FIRST DIVERSION RATE  
MANDATE OF 25 PERCENT, OR HAVE  
DEMONSTRATED GOOD FAITH EFFORTS, AND  
HAVE HAD THEIR BIENNIAL REVIEW APPROVED  
BY THE BOARD

9. UPDATE ON LOCAL GOVERNMENT DIVERSION 24

ASSISTANCE TEAM PLAN (ORAL PRESENTATION)

{UOn}PUBLIC OUTREACH AND EDUCATION{UOff}

10. CONSIDERATION OF AWARD OF CONTRACT --  
FOR THE DEVELOPMENT OF CASE STUDIES  
ON EXEMPLARY SOLID WASTE DIVERSION  
PROGRAMS AND THE IMPLEMENTATION OF A  
STATEWIDE VIDEO CONFERENCE TO INFORM  
AND DISTRIBUTE THE MATERIALS DEVELOPED

ADJOURNMENT

108

CHAIRMAN PENNINGTON: GOOD MORNING, AND WELCOME TO THE  
JANUARY 21ST MEETING IN THE CALIFORNIA INTEGRATED WASTE  
MANAGEMENT BOARD. CAN YOU HEAR ME ALL RIGHT?

OKAY. I FEEL LIKE YOU CAN'T HEAR ME. I DON'T HEAR.

HOW ABOUT THAT? IS THAT BETTER? OKAY.

WILL THE SECRETARY PLEASE CALL THE ROLL.

MS. KELLY: BOARD MEMBER EATON?

MR. EATON: HERE.

MS. KELLY: FRAZEE?

MR. FRAZEE: HERE.

MS. KELLY: JONES?

MR. JONES: HERE.

MS. KELLY: ROBERTI?

MR. ROBERTI: HERE.

MS. KELLY: CHAIRMAN PENNINGTON?

CHAIRMAN PENNINGTON: HERE.

WE HAVE A QUORUM.

DO ANY BOARD MEMBERS HAVE EX PARTE? I'LL START WITH  
SENATOR ROBERTI.

MR. ROBERTI: NO EX PARTE, NO.

Please Note: These transcripts are not individually reviewed and approved for accuracy.

CHAIRMAN PENNINGTON: NO EX PARTES?

MR. FRAZEE: NO.

CHAIRMAN PENNINGTON: MR. EATON?

MR. EATON: I JUST HAVE THREE LATE -- A LETTER FROM KENT STODDARD DATED 12-22-98, 12-30-98 AND 1-19-99 REGARDING AB 715 FINANCIAL ASSURANCE, FAX, SLASH, ARTICLE FROM JERRY JAMGOTCHIAN REGARDING THE CITY OF HAWTHORNE DATED JANUARY 4TH, 1999 AND A LETTER FROM LINDA FALASCO CMAC, REGARDING CME DEBRIS DATED 12-28-98.

EVERYTHING ELSE IS UP TO DATE.

CHAIRMAN PENNINGTON: OKAY. MR. JONES.

MR. JONES: JUST ONE EX PARTE WITH LARRY SWEETSER, JUST -- HE WAS JUST CHECKING TO MAKE SURE EVERYTHING WAS OKAY WITH MID-VALLEY.

CHAIRMAN PENNINGTON: VERY GOOD.

MR. ROBERTI: MR. CHAIRMAN, I'VE GOT MY LISTS NOW.

BUD CORMIER FROM THE CITY OF HAWTHORNE REGARDING TIME EXTENSIONS, KEN STODDARD FROM WASTE MANAGEMENT REGARDING FINANCIAL ASSURANCES, JERRY JAMGOTCHIAN REGARDING H AND C DISPOSAL, RICHARD BRUNING REGARDING THE CAGION SITE FIRE AND BURT BALL REGARDING L.A. SHAYERS.

CHAIRMAN PENNINGTON: OKAY. VERY GOOD.

THERE ARE -- IF ANYBODY WISHES TO ADDRESS ANY ITEM ON THE BOARD THIS MORNING, AT THE ENTRANCE OUT THERE THERE ARE SPEAKER SLIP FORMS. IF YOU WOULD FILL THOSE OUT AND GET THEM TO MISS KELLY HERE, WE WILL MAKE SURE THAT YOU GET AN OPPORTUNITY TO ADDRESS THAT ITEM.

WE DO NOT HAVE ANY AGENDA ITEMS TO BE HEARD UNDER THE CONTINUING BUSINESS AGENDA ITEMS OR THE CONSENT CALENDAR.

AS REQUESTED BY BOARD MEMBER EATON, WE WILL BE TAKING UP AGENDA ITEM NO. 9 AS THE FIRST NEW BUSINESS ITEM FOLLOWING OUR REPORTS AND PRESENTATIONS.

PRIOR TO GOING INTO THE AGENDA ITEMS, WE'LL HAVE A SHORT CLOSED SESSION IN THE BACK ROOM BACK HERE.

NOW WE'LL HEAR FROM MR. DON SACHS OF -- THE EXECUTIVE DIRECTOR OF THE CHAMBER OF COMMERCE.

MR. SACHS: THANK YOU, MR. CHAIRMAN, MEMBERS OF THE BOARD, STAFF, THE AUDIENCE. I AM DON SACHS. I'M THE EXECUTIVE DIRECTOR OF THE CHAMBER OF COMMERCE FOR THE CITY OF INDUSTRY.

WE USE THE TITLE CALLED INDUSTRY MANUFACTURERS COUNCIL BECAUSE WE DON'T HAVE WHAT NORMAL CITIES HAVE. WE HAVE LESS THAN 500 PEOPLE LIVING IN THE CITY. 200 OF THEM LIVE AT CONVALESCENT HOSPITALS. WE ONLY HAVE 120 REGISTERED VOTERS.

YOU COULD PROBABLY DETECT WHAT IS THE CITY OF INDUSTRY BY THIS AERIAL MAP. EVERYTHING WITH A LARGE BUILDING ROOF RUNNING FROM POMONA ALL THE WAY OVER TO SOUTH EL MONTE AND NORTH WHITTIER. ABOUT 70,000 PEOPLE IN THE CITY EVERY DAY AT WORK, AND WE DRAW FROM COMMUNITIES SUCH AS ROWLAND HEIGHTS,

Please Note: These transcripts are not individually reviewed and approved for accuracy.

DIAMOND BAR, WALNUT, POMONA, WEST COVINA, VALINDA, LA PUENTE, BASSETT AND EL MONTE.

SO WE'RE LOCATED BETWEEN THE RAILROAD TRACKS, AND OTHER THAN THE SHERATON HOTEL, WHERE SOME OF YOU OR ALL OF YOU MAY HAVE STAYED -- DID ANYBODY GET ANY GOLF IN? AND IF YOU DID, I APOLOGIZE FOR HOW MANY BALLS YOU LOST. IT'S A DIFFICULT COURSE, BUT THAT IS CONNECTED BY ONE ROAD, SO IT'S CONTIGUOUS WITH THE CITY OF INDUSTRY.

I CAN GO ON AND ON, BUT I HAVE AN EIGHT-MINUTE PRESENTATION VIDEO THAT THE MAJORITY OF THE AUDIENCE WILL BE ABLE TO SEE, BUT DEFINITELY THE BOARD WILL BE ABLE TO SEE, AND I'LL BE HAPPY TO ADDRESS ANY QUESTIONS YOU MAY HAVE FOR THE LIMITED TIME THAT IS AVAILABLE TO ME.

(VIDEO PRESENTATION.)

MR. SACHS: WHEN YOU TALK ABOUT POSITIVE PROPAGANDA, THAT CERTAINLY IS IT. WE GOT -- EVERY THREE MONTHS USUALLY HAVE A GROUP -- EXCUSE ME -- A GROUP FROM MAINLAND CHINA THAT TOURS THE CITY, AND SPECIFICALLY BECAUSE WE HAVE SO MANY CHINESE-OWNED BUSINESSES IN THE CITY, THEY DO KNOW ABOUT CITY OF INDUSTRY IN BEIJING, AND I WAS THEIR GUEST LAST YEAR AND FROZE JUST ABOUT THIS TIME IN JANUARY.

ONE THING I'D LIKE TO STRESS IS YOU MAY HAVE CAUGHT THAT THERE IS NO CITY LICENSE IN THE CITY OF INDUSTRY. ALL THAT IS REQUIRED IS AN APPLICATION FOR A USE PERMIT TO MAKE SURE THAT WHAT YOU'RE GOING TO BE DOING IS NOT GOING TO CREATE A PROBLEM FOR THE CITY. THE TAX BASE IS STRICTLY ON YOUR PROPERTY TAX, YOUR VALUE OF YOUR BUILDING, WHAT YOU HAVE INSIDE OF IT, AND THE PROPERTY ON WHICH IT SETS. NO OTHER TAX IN THE CITY OF INDUSTRY.

CERTAINLY ON BEHALF OF MAYOR DAVE WINN, WE WELCOME YOU TO THE CITY. WE ARE APPRECIATIVE THAT YOU SELECTED THE CITY FOR THIS MEETING, AND I'M AVAILABLE FOR ANY QUESTIONS FROM THE BOARD. I REALIZE YOU HAVE A TIGHT AGENDA, AND IF THERE ARE NONE, IT'S BEEN A PLEASURE. THANK YOU.

CHAIRMAN PENNINGTON: ANY QUESTIONS?

I THANK YOU VERY MUCH. I APPRECIATE IT. THAT WAS A GOOD FILM.

NEXT WE HAVE MIKE MOHAJER, SPECIAL ASSISTANT TO THE DIRECTOR WASTE MANAGEMENT PROGRAMS LOS ANGELES COUNTY PUBLIC WORKS.

MR. MOHAJER: GOOD MORNING, MR. CHAIRMAN, MEMBER OF THE BOARD. FOR THE RECORD, MY NAME IS MIKE MOHAJER, THE DAILY COUNCIL REPORT FOR THE PUBLIC WORKS. ON BEHALF OF OUR DIRECTOR AND ALSO THE CHAIR OF OUR LOCAL TASK FORCE, I WOULD LIKE TO THANK THE BOARD FOR CONDUCTING THE MEETING HERE IN THE COUNTY OF LOS ANGELES, AND I WOULD LIKE TO OFFER A SPECIAL WELCOME.

Please Note: These transcripts are not individually reviewed and approved for accuracy.

I BELIEVE IT IS IMPORTANT FOR THE BODY, YOUR BODY, TO BE IN CLOSE CONTACT WITH LOCAL GOVERNMENT SINCE THEY ARE AND WILL CONTINUE TO BE HEAVILY IMPACTED BY THE BOARD ACTION. ADDITIONALLY, MAINTAINING A GOOD UNDERSTANDING OF LOCAL COMMUNITY CONCERNS AND CAPABILITIES WILL GO A LONG WAY IN PROMOTING APPROPRIATE WASTE MANAGEMENT TECHNIQUES. THEREFORE, I WOULD ENCOURAGE YOUR BOARD TO SCHEDULE MORE FREQUENT MEETINGS IN LOS ANGELES COUNTY, ESPECIALLY CONSIDERING THAT WE HAVE ONE-THIRD OF THE STATE POPULATION, AND WE RECYCLE -- OUR BUSINESSES AND RESIDENTS, THEY RECYCLE OVER ONE-THIRD OF THE STATE SOLID WASTE.

NO OTHER SINGLE REGION IN THE STATE FACES SOLID WASTE MANAGEMENT CHALLENGES OF THE MAGNITUDE Faced BY THIS COUNTY. CONVERSELY, THE EFFORTS WITH 88 CITIES IN THE COUNTY AND THE UNINCORPORATED COMMUNITIES TO CONFRONT THESE CHALLENGES, ESPECIALLY MAKING MANDATES OF AB 939, ARE UNPARALLELED IN THIS STATE AND PROBABLY THE NATION.

I WANT TO CONGRATULATE YOUR BOARD FOR THE MEETING WE HAD YESTERDAY, TALKING ABOUT VARIOUS ISSUES IN THE 21 CENTURY, BUT I'D LIKE TO GO OVER A COUPLE OF THOSE ISSUES THAT ARE OF LOCAL CONCERNS TO THE JURISDICTIONS, AND I -- BECAUSE OF THE TIME, AS I SAID, I'M GOING TO LIMIT IT TO ONLY TWO.

THE FIRST ONE IS SOMETHING THAT IS NOT NEW TO THIS BOARD, AND THAT'S DISPOSAL QUANTITY REPORTING. BEFORE I DISCUSS THAT ISSUE, I WANT TO THANK THE BOARD AND STAFF FOR WORKING CLOSELY WITH US IN ADDRESSING THE BASE-YEAR ACCURACY ISSUE WHICH HAVE BEEN A GREAT CONCERN TO JURISDICTION OF LOS ANGELES COUNTY. BY THE WAY, WE MADE THE FRONT PAGE OVER HERE THAT I DISTRIBUTED A COPY FOR YOUR REFERENCE.

I'M GLAD TO SAY THAT YOUR RECENT BOARD ACTION, THE SO-CALLED L.A. COUNTY FIX, WHILE IT COMPROMISES, IT IS AN IMPORTANT STEP WHICH ALLOWS MANY JURISDICTION IN THE COUNTY TO MOVE FORWARD. THIS JURISDICTION CAN NOW FOCUS THEIR RESOURCES TO MAXIMIZE WASTE REDUCTION EFFORT RATHER THAN SPENDING THOSE RESOURCES FOR FURTHER ACCOUNTING.

HOWEVER, THE PROBLEM OF THE WASTE ORIGIN IS NOT FULLY RESOLVED. THIS IS A CHALLENGE IN LOS ANGELES COUNTY, SINCE WE GOT 89 JURISDICTIONS EACH WITH A UNIQUE SOLID WASTE MANAGEMENT SYSTEM, WHICH MAY BE RELYING ON PUBLIC, PRIVATE OR A COMBINATION OF PUBLIC AND PRIVATE SERVICES AND OPERATION TO PROVIDE FOR THE SOLID WASTE NEEDS OF THEIR CITIZENS.

BECAUSE OF THIS COMPLEXITY OF THE SYSTEM, IT IS EXTREMELY DIFFICULT TO DEVISE A RELIABLE METHOD FOR TRACKING THE ORIGIN OF WASTE. THIS IS ESPECIALLY TRUE IN THE CASE OF THE SELF-HAULED WASTE, WHERE ANY PERSON CAN BECOME CONFUSED BY PROFUSION OF CITIES, COMMUNITIES WITHIN THE CITIES, COUNTY UNINCORPORATED COMMUNITIES AS WELL AS THE ZIP CODES WHICH ZIGZAGS ALL OVER THE PLACE. THEREFORE, THERE REMAINS A GREAT NEED FOR THE WASTE

Please Note: These transcripts are not individually reviewed and approved for accuracy.

BOARD, LOCAL GOVERNMENT AND THE INDUSTRY TO WORK TOGETHER ON THIS ISSUE.

ONE POSSIBLE SOLUTION MAY BE TO ASSIGN GREATER RESPONSIBILITY, AND I'M PROBABLY GOING TO GET SHOT, ON WASTE FACILITY OPERATORS AND ALSO THE WASTE OWNERS. FOR EXAMPLE, IT HAS BEEN OUR OBSERVATION THAT SOME FACILITY OPERATORS MAY BE RELUCTANT TO PENALIZE THEIR CUSTOMERS WHO FAIL TO COMPLY WITH THE STATE REPORTING REQUIREMENTS FOR FEAR OF LOSING BUSINESS.

IN THIS RESPECT, SOME ACTION BY THE WASTE BOARD MAY BE WARRANTED TO CORRECT THIS PROBLEM. ANOTHER POSSIBLE SOLUTION MAY BE TO INCREASE THE FREQUENCY OF THE SURVEY PERIOD THAT WE CONDUCT, BUT THE REAL SOLUTION IS REALLY NOT TO PLACE SO MUCH EMPHASIS ON THE ACCOUNTING.

I WAS LOOKING AT THE SENATOR BYRON SHER'S SPEECH THAT WAS HANDED OUT YESTERDAY, AND I FULLY AGREE THAT REALLY WE NEED TO ENSURE THE QUALITY OF THE WASTE DIVERSION PROGRAMS RATHER THAN PUTTING SO MUCH EMPHASIS ON THE QUANTITY. SO THAT IS SOMETHING THAT REALLY NEEDS TO BE ISSUED AS WE MOVE INTO THE 21ST CENTURY.

MOVING ON TO THE SECOND ISSUE I WANTED TO -- TO MENTION, AND RECOGNIZING THAT, AGAIN, THE BASE-YEAR ACCURACY IS NOT PROBABLY RESOLVED BY ALL THE JURISDICTIONS, THE PROBLEM THAT WE HAVE OF TRACKING WITH THE WASTE -- THE WASTE ORIGINS, DIFFICULTY THAT WE HAVE ENCOUNTERED, AT LEAST IN THIS COUNTY, FOR CITING THE PROCESSING FACILITIES AND LACK OF ADEQUATE MARKET FOR COMPOSTING AND RECYCLE MATERIALS, THERE'S A POSSIBILITY THAT SOME JURISDICTIONS AT LEAST IN THIS REGION MAY NOT BE ABLE TO DOCUMENT ACHIEVEMENT OF THE 50-PERCENT WASTE REDUCTION BY THE YEAR 2000, ONLY A FEW MONTHS FROM NOW.

SENATE BILL 1066, WHICH WAS SHOT OVER A YEAR AGO, PROVIDES SOME RELIEF TO THESE JURISDICTIONS. SO I BELIEVE IT IS ESSENTIAL FOR THE WASTE BOARD TO -- TO ADOPT REGULATIONS AND ALL POLICY FOR IMPLEMENTATION OF THE 1066 AND TO GUIDE JURISDICTION, WHICH MAY FIND THEMSELVES IN SUCH A SITUATIONS.

TO CONCLUDE MY PRESENTATION, I WOULD LIKE TO THANK JUDY FRIEDMAN, SITTING OVER HERE, PAT SCHIAVO AND REALLY ALL THE STAFF MEMBER OF THE OFFICE OF LOCAL ASSISTANCE AND FOR A CHANGE -- A LAWYER, I DON'T SEE ELLIOT BLOCK, FOR THE TEAM SPIRIT THAT THEY EXHIBITED WHILE WORKING WITH US DURING 1998, ADDRESSING REALLY THE MANY DIFFICULT WASTE CHALLENGES LAST YEAR. I'M HOPING FOR THIS SUCCESSFUL WORKING RELATION TO CONTINUE IN 1999 AND THE YEARS TO COME.

THANKS VERY MUCH, AND I'LL BE ABLE TO ANSWER ANY QUESTIONS YOU HAVE.

CHAIRMAN PENNINGTON: ANY QUESTIONS?

OKAY. THANK YOU VERY MUCH.

NEXT WE'LL HAVE -- ANY BOARD MEMBERS HAVE ANY STATEMENTS OR REPORTS TO MAKE?



Please Note: These transcripts are not individually reviewed and approved for accuracy.

I FIRST WOULD LIKE TO START OFF BY CONGRATULATING DAN EATON, STEVE JONES, RALPH CHANDLER, ALL OF THE CIWMB STAFF FOR AN EXCELLENT MEETING YESTERDAY. I THINK IT WAS VALUABLE. I THINK IT WAS USEFUL, AND I JUST CAN'T CONGRATULATE THEM ENOUGH FOR THE EFFORT THAT WAS PUT IN AND THE SUCCESS OF THE PROGRAM. AND CERTAINLY THESE TWO GENTLEMEN LED THE WAY AND SET A VERY GOOD GROUND FLOOR FOR US TO PROCEED IN THE NEXT -- NEXT FEW MONTHS, ANYWAY. SO THANK YOU.

ANY -- ANY REPORTS FROM ANY OF YOU?

MR. EATON: NO, MR. CHAIR. NO, MR. CHAIR, BUT I WOULD LIKE TO JUST MAKE A COUPLE OF COMMENTS.

I TOO WAS VERY PLEASED WITH YESTERDAY, BUT I ALSO KNOW THAT IT TAKES TEAM WORK, AND I APPRECIATE ALL -- NOT ONLY THE STAFF'S EFFORTS, BUT ALL THE BOARD MEMBERS' PARTICIPATION AND THE FORESIGHT. AS WE BEGAN THIS PROCESS -- I CAN ALMOST REMEMBER HOW LONG AGO IT WAS. IT WAS LIKE SIX, EIGHT MONTHS AGO THAT IT FINALLY CAME TO FRUITION.

AND I WOULD ALSO LIKE TO PAY SPECIAL THANKS TO STEVE JONES, MAINLY BECAUSE HE HELD OUT THAT WE COME HERE TO THE CITY OF INDUSTRY AND THAT IT WAS INTERESTING THAT HE THOUGHT IT WAS NOT ONLY THE MOST APPROPRIATE PLACE TO HAVE -- TO HAVE THE CONFERENCE, BUT ONE THAT WOULD WELCOME US, AND I THINK HE WAS ABSOLUTELY RIGHT.

THE CITY, WHILE MAYBE IT'S SMALL IN POPULATION, IT SURELY IS BIG IN HEART AND IN HOSPITALITY, AND I THINK IT'S ONE OF THE BEST PLACES, AT LEAST IN MY SHORT TENURE ON THE BOARD, THAT I'VE HAD THE OPPORTUNITY TO -- TO ENJOY THE FACILITY, AND THE PEOPLE THERE THAT MADE US FEEL WELCOME. SO THAT I DO -- DO APPRECIATE, AND I DO THANK THE CITY AS WELL. AND I THINK THAT THEY'VE DONE A GOOD JOB, AND HOPEFULLY THAT WE HAVEN'T WORN OUT OUR WELCOME, AND AT SOME POINT IN THE FUTURE WE'LL BE ABLE TO COME BACK.

CHAIRMAN PENNINGTON: MR. JONES?

MR. JONES: I'D LIKE TO -- I'D LOOK TO ECHO SOME OF THOSE WORDS, BUT FIRST I'D LIKE TO THANK YOU AND THE VICE CHAIR, BOB FRAZEE, AND THE OTHER BOARD MEMBERS THAT ALLOWED MR. EATON AND I TO -- TO KIND OF SHEPHERD THIS PROJECT, BECAUSE WITHOUT YOUR SUPPORT, THIS WOULDN'T HAVE HAPPENED, AND WE'RE VERY AWARE OF THAT.

AND I ALSO WANT TO THANK THE STAFF. I MEAN, IT -- THEY CONTINUALLY AMAZE ME. THEY GET MAD AT US BECAUSE WE ARE -- MR. EATON AND I, I THINK, PROBABLY BOTH COME FROM BACKGROUNDS WHERE DETAIL IS VERY IMPORTANT AND USUALLY THE DIFFERENCE BETWEEN MAKING A BUCK OR MAKING A BILL PASS OR SOMETHING LIKE THAT. SO YOU'RE PRETTY IN TUNE WITH THE DETAILS. SO WHILE WE MAY BE MICRO MANAGERS AS POLICY MAKERS, THEY PUT UP WITH US. BUT IT WAS OBVIOUS THAT THEY WERE THE ONES WHO CARRIED THE WATER YESTERDAY, AND THEY DID A GREAT JOB, AND THEY ARE TO BE COMMENDED, ALL OF THEM.

Please Note: These transcripts are not individually reviewed and approved for accuracy.

AND ALSO THE PEOPLE THAT CAME. WE HAD FOLKS FROM ALL OVER THE STATE OF CALIFORNIA. WE HAD FOLKS FROM DIFFERENT PARTS OF THE NATION THAT CAME IN TO BRING THEIR POINTS OF VIEW, WHAT THEY CONSIDERED TO BE ISSUES, AND I THINK IT REINFORCES THE FACT THAT THIS BOARD CONTINUALLY SITS ON THE FOREFRONT OF BEING A PROACTIVE GOVERNMENT AGENCY THAT'S THERE TO WORK TO A COMMON GOOD AND A COMMON GOAL AS OPPOSED TO A REGULATORY AGENCY THAT'S WHOLE MISSION IN LIFE IS TO MAKE LIFE MISERABLE FOR THOSE OF US THAT HAVE BEEN REGULATED. AND THEY -- FOR THAT, I -- I TAKE A LOT OF PRIDE IN BEING PART OF THIS BOARD, BECAUSE IT NEVER CEASES TO BE FUN. I MEAN, THERE'S ALWAYS A GOOD TIME. BUT I DO WANT TO CONGRATULATE EVERYBODY, AND, AGAIN, THANK THE BOARD MEMBERS FOR TRUSTING MR. EATON AND I.

AND LASTLY MR. EATON AND I SPENT PROBABLY EIGHT OR NINE MONTHS WORKING ON THIS THING, AND WE GOT TO KNOW EACH OTHER PRETTY WELL. AND THIS IS THE WAY WE SHOULD RUN THIS ORGANIZATION, IS TO CONTINUALLY PUT TEAMS TOGETHER WITH EXPERTISE TO COME UP WITH SOLUTIONS. SO THAT'S WHAT THEY PAY US FOR, BUT THANK YOU AGAIN.

CHAIRMAN PENNINGTON: ANY OTHER BOARD STATEMENTS?

IF NOT, WE'LL HEAR NOW FROM THE EXECUTIVE DIRECTOR, MR. CHANDLER.

MR. CHANDLER: GOOD MORNING, BOARD MEMBERS. I HAVE JUST A COUPLE OF ITEMS TO BRING BEFORE YOU TODAY.

FIRST, I'M PROUD TO REPORT THAT TODD THALHAMER OF OUR CLEANUP AND RESTORATION PROGRAM, WAS ASKED BY U.S. EPA TO TRAVEL TO GUAM LAST WEEK TO ADVISE OFFICIALS THERE ON HOW TO DEAL WITH A MAJOR TIRE AND UNDERGROUND LANDFILL FIRE PROBLEM. I UNDERSTAND TODD MET WITH NEARLY EVERY OFFICIAL ON THE ISLAND, EXCEPT FOR THE GOVERNOR.

IN VISITING THE LANDFILL, TODD SHARED HIS TECHNICAL EXPERTISE ON WHAT TYPES OF REMEDIATION WERE POSSIBLE FOR THE SITUATION. AND AS MANY OF YOU MAY BE AWARE, TODD HAS EXPERIENCE BASED ON MANY LANDFILL AND TIRE FIRES HE'S BEEN INVOLVED WITH IN CALIFORNIA.

ADDITIONALLY, TODD HAS PAST FIREFIGHTING EXPERIENCE WITH THE CALIFORNIA DEPARTMENT OF FORESTRY AND CURRENTLY SERVES AS A VOLUNTEER FIREMAN IN EL DORADO COUNTY.

WHAT I FOUND PARTICULARLY INTERESTING ABOUT TODD'S EFFORTS IS NOT ONLY WERE OFFICIALS ASKING FOR HIS TECHNICAL ASSISTANCE REGARDING THE FIRE, THEY WERE ALSO VERY INTERESTING IN WHAT WE HERE IN CALIFORNIA TAKE FOR GRANTED, THAT BEING INFORMATION ABOUT COMPOSTING, RECYCLING, ALTERNATIVE DAILY COVER AND CLOSURE REQUIREMENTS. TODD PLANS TO WRITE A TECHNICAL REPORT ABOUT HIS TRIP, AND I WILL BE SURE TO SHARE A COPY WITH YOUR OFFICES.

Please Note: These transcripts are not individually reviewed and approved for accuracy.

SECONDLY, AS YOU MAY RECALL, THE BOARD SUBMITTED A BCP FOR THE 1999/2000 FISCAL YEAR TO IMPROVE SOLID WASTE FACILITIES' COMPLIANCE WITH STATE MINIMUM STANDARDS AND THE PUBLIC RESOURCE CODE REQUIREMENTS. THE BOARD HAS IDENTIFIED, AS YOU'RE AWARE, IMPROVING FACILITY COMPLIANCE AS A STRATEGIC PLAN PRIORITY AREA. IN ANTICIPATION OF THE BCP, STAFF IS COMPILING INFORMATION ON LANDFILLS TO DETERMINE WHICH ARE NOT TO COMPLIANCE, WHY THEY ARE NOT IN COMPLIANCE AND WHAT CORRECTIVE ACTION HAS BEEN OR NEEDS TO BE TAKEN.

IN ORDER TO GET A TRUE PICTURE OF LANDFILL PERFORMANCE, WE'RE SEEKING A COMPREHENSIVE REVIEW THAT LOOKS AT ALL MEDIA IMPACTS, INCLUDING WATER AND AIR.

IT'S MY OPINION THAT ONE OF THE LIMITATIONS OF AB 1220 IS THAT IT COMPARTMENTALIZED OVERSIZE AT LANDFILLS LEADING TO FRACTURED UNDERSTANDING OF LANDFILL PERFORMANCE. EARLIER THIS MONTH I SENT A LETTER TO THE STATE'S WATER AND AIR BOARD REQUESTING THEIR HELP IN IDENTIFYING LANDFILLS THAT ARE OUT OF COMPLIANCE AND WHAT ACTIONS NEED TO BE TAKEN OR HAVE BEEN TAKEN TO CORRECT THE VIOLATIONS.

WE HOPE TO HEAR FROM BOTH BOARDS BY FEBRUARY 14TH, AND I WILL CONTINUE TO KEEP YOU APPRISED OF THIS EFFORT IN MY FUTURE UPCOMING DIRECTOR REPORTS.

AND THAT, MR. CHAIRMAN, CONCLUDES MY REPORT.

CHAIRMAN PENNINGTON: VERY GOOD.

ANY QUESTIONS OF MR. CHANDLER?

OKAY. NEXT IS A REPORT ON THE 21ST CENTURY PROJECT. I THINK WE'VE HEARD THAT, UNLESS YOU TWO WANT TO ADD ANYTHING ADDITIONAL.

MR. EATON: THAT'S FINE.

CHAIRMAN PENNINGTON: VERY GOOD. WITH THAT, WE WILL GO INTO A CLOSED SESSION TO DISCUSS SOME LITIGATION SITUATIONS. WE'LL BE VERY SHORT, SO WE'LL BE BACK AS QUICK AS WE CAN.

(A BRIEF RECESS WAS TAKEN.)

CHAIRMAN PENNINGTON: OKAY. WE'VE COME BACK TO ORDER.

WE WILL TAKE UP ITEM NO. 9, AND THEN WE'LL GO TO ITEM NO. 1, AND WE ALSO WANT TO ANNOUNCE THAT ITEM NO. 10 HAS BEEN PULLED FROM THE AGENDA.

SO WE'LL START WITH ITEM NO. 9, WHICH IS THE UPDATE ON THE LOCAL GOVERNMENT DIVERSION ASSISTANCE TEAM PLAN.

JUDY FRIEDMAN.

MS. FRIEDMAN: GOOD MORNING, CHAIRMAN PENNINGTON AND BOARD MEMBERS. ASK, YOU HEARING ME OKAY?

CHAIRMAN PENNINGTON: NO.

MS. FRIEDMAN: HAVE TO KIND OF BEND DOWN HERE. I'LL LOOK KIND OF FUNNY.

MS. TOBIAS: DO YOU WANT TO TAKE IT DOWN? IS THAT BETTER? JUST --

MR. CHANDLER: JUST SPEAK UP.

Please Note: These transcripts are not individually reviewed and approved for accuracy.

MS. FRIEDMAN: IS THAT BETTER?

TODAY WE'RE GOING TO PROVIDE AN UPDATE ON THE PROGRESS OF THE PRIORITY AREA, IMPROVING LOCAL GOVERNMENT PERFORMANCE AND DIVERSION. YOU'VE BEEN HEARING AND SEEING PARTS OF OUR PLAN IN ACTION, FOR EXAMPLE, WHEN YOU'VE ACTED ON BIENNIAL REVIEWS OR WHEN YOU HEAR UPDATES ON OUR TARGETED IMPLEMENTATION ASSISTANCE THAT WE'VE -- EFFORTS THAT WE'VE BEEN MAKING WITH LOCAL GOVERNMENT. HOWEVER, IN THIS ITEM WE'LL PULL IT ALL TOGETHER FOR YOU SO YOU CAN SEE HOW ALL THESE ACTIONS TAKEN TOGETHER WILL HELP US ACHIEVE OUR GOALS.

COULD WE GET THE LIGHTS DIMMED A LITTLE BIT?

I'D LIKE TO PROVIDE A LITTLE BIT OF BACKGROUND FOR YOU ON WHAT IS A PRIORITY AREA TEAM AND HOW THEY CAME ABOUT.

AS A RESULT OF THE BOARD'S STRATEGIC PLANNING PROCESS, WHICH REALLY TOOK A COUPLE OF YEARS, INVOLVING OUR CONSTITUENTS AND INVOLVING COOPERATION OF MANY OF OUR PREVIOUS PLANNING EFFORTS, SUCH AS OUR MARKET DEVELOPMENT PLAN, OUR LOCAL ASSISTANCE PLAN AND OUR EDUCATION AND COMMUNICATIONS PLAN, AS A RESULT OF THE STRATEGIC PLANNING PROCESS, THERE WAS A NEED TO FOCUS THE BOARD'S EFFORTS IN A FEW KEY AREAS THAT NEEDED ATTENTION, AND THESE ARE THE PRIORITY AREAS. THE FOUR PRIORITY AREAS ARE CONSTRUCTION AND DEMOLITION, ORGANICS, FACILITY COMPLIANCE AND LOCAL GOVERNMENT DIVERSION.

PREVIOUSLY YOU'VE HEARD UPDATES FROM THE CONSTRUCTION AND DEMOLITION TEAM AS WELL AS THE ORGANICS TEAM.

PRIORITY AREA TEAMS ARE FORMED FOR EACH AREA AND ARE CROSS-DIVISIONAL. PLANS ARE DEVELOPED TO ACHIEVE SPECIFIC OUTCOMES. THE LGDAT TEAM OR THE LOCAL GOVERNMENT DIVERSION ASSISTANCE TEAM CONSISTS OF MEMBERS FROM THE WASTE PREVENTION AND MARKET DEVELOPMENT DIVISION, THE PERMITTING AND ENFORCEMENT, ADMIN AND FINANCE, DIVERSION PLANNING AND LOCAL ASSISTANCE DIVISIONS. WE HAVE A MEMBER FROM THE BOARD MEMBER OFFICE. WE HAVE OFFICE OF PUBLIC AFFAIRS, AND WE HAVE A MEMBER FROM THE LEGAL OFFICE. SO YOU CAN SEE THAT WE REPRESENT ALL PARTS OF THE BOARD, AND WE WORK CROSS-DIVISIONALLY.

THE PLAN IS FOCUSED ON SPECIFIC RESULTS TO MEET OUR MAIN GOAL. AND WE STARTED THIS PROCESS IN LATE 1997, AND -- TO DEVELOP OUR PLAN, AND THIS WAS FIRST PRESENTED TO THE BOARD IN MARCH, LAST MARCH.

SO OUR MAIN GOAL IS, WE LIKE TO SAY, GETTING TO 50 PERCENT, BUT TECHNICALLY AND SPECIFICALLY, IT IS ALL CALIFORNIA CITIES AND COUNTIES WILL MEET OR EXCEED THE DIVERSION GOAL IN THEIR IWMB, INTEGRATED WASTE MANAGEMENT BOARD, APPROVED DIVERSION PLAN BY OR BEFORE ESTABLISHED DEADLINES, AND WE'VE DONE THAT TECHNICALLY BECAUSE, AS YOU KNOW, JURISDICTIONS ARE ALLOWED

Please Note: These transcripts are not individually reviewed and approved for accuracy.

TO GET REDUCED GOALS AND OTHER ASPECTS UNDER THE LAW, FOR EXAMPLE, THE RURAL JURISDICTIONS.

OUR SPECIFIC TARGETS THAT WE HAVE IN THIS PLAN ARE ACCELERATED REVIEW OF ANNUAL REPORTS, REDUCTION IN THE NUMBER OF JURISDICTIONS ON COMPLIANCE SCHEDULES, JURISDICTIONS WILL RECEIVE TOOLS AND FULL ACCESS TO BOARD'S WEB SITE. JURISDICTIONS WILL IMPLEMENT APPROPRIATE NEW AND/OR ENHANCED PROGRAMS RESULTING IN INCREASED DIVERSION, AND JURISDICTIONS WILL BE ON TRACK TO REACH DIVERSION GOALS.

NOW, PAT SCHIAVO WILL GO THROUGH OUR PROGRESS ON THE PLAN TO DATE.

MR. SCHIAVO: GET ORGANIZED.

GOOD MORNING, BOARD MEMBERS. I'D LIKE TO START OUT BY DISCUSSING, AS JUDY MENTIONED, OUR PROGRESS TO DATE ON IMPLEMENTING OUR LOCAL GOVERNMENT ASSISTANCE TEAM. THERE IS THREE MAJOR AREAS I'D LIKE TO COVER, WHICH TIE TO THE FIVE TARGETS.

THE FIRST IS THE DOCUMENT REVIEW AND COMPLIANCE EFFORT THAT WE'RE UNDERGOING, WHICH IS ESSENTIALLY OUR ANNUAL REVIEW, BIENNIAL REVIEW EFFORTS, AND THIS TIES TO TARGET NOS. 1 AND 2. THE SECOND BULLET YOU'LL SEE HERE IS TOOL AND WEB SITE DEVELOPMENT EFFORTS, AND THIS TIES TO TARGET NO. 3. AND, FINALLY, THE LAST BULLET IS TARGETED ASSISTANCE AND OUTREACH EFFORTS, WHICH TIE TO TARGETED -- TARGETED EFFORTS NO. 4 AND 5.

TO BEGIN WITH, I'D LIKE TO SHOW THE STATUS OF WHERE WE ARE IN OUR ANNUAL REVIEW, BIENNIAL REVIEW PROCESS, AND I'M GOING TO SHOW THIS IN THREE DIFFERENT WAYS. THE FIRST IS DIVERSION RATES ACHIEVED AND WHERE THE VARIOUS JURISDICTIONS ARE TO DATE, PERFORMANCE BY TYPE OF APPROVAL THAT HAVE COME BEFORE THE BOARD, AND, FINALLY, WHAT OUR STATEWIDE PROGRESS IS IN REVIEWING THESE DOCUMENTS.

TO DATE WE HAVE REVIEWED 246 JURISDICTIONS' PROGRESS, AND IN THE DARK RED, AS YOU'LL SEE, THOSE JURISDICTIONS THAT ARE WITHIN 25 TO 49 PERCENT DIVERSION COMPLIANCE REPRESENT 68 PERCENT OR -- OF THE POPULATION OR 170 JURISDICTIONS.

THE NEXT LARGEST CATEGORY ARE THOSE JURISDICTIONS THAT HAVE MET OR EXCEEDED THE 50-PERCENT RATE AT THIS TIME, AND THOSE ARE 45 JURISDICTIONS OR 80 PERCENT -- OR 18 PERCENT OF THE TOTAL POPULATION.

AND THEN, FINALLY, THE NEXT CATEGORY IS WHAT WE'VE CONSIDERED OUR GOOD-FAITH EFFORT GROUP OF JURISDICTIONS THAT ARE BELOW 25 PERCENT, AND THOSE ARE 13 PERCENT OF THE ENTIRE POPULATION OR APPROXIMATELY 35 JURISDICTIONS. AND WHILE THESE JURISDICTIONS WERE BELOW 25 PERCENT IN 1995, MOST OF THESE JURISDICTIONS EXCEEDED THE GOAL IN 1996.

AND, FINALLY, WE HAVE WHAT WE CALL NOT DETERMINED OR ONE PERCENTERS, AND THOSE ARE THE THREE COMPLIANCE JURISDICTIONS THAT HAVE COME BEFORE YOU AND THAT WILL COME BEFORE YOU

Please Note: These transcripts are not individually reviewed and approved for accuracy.

AGAIN ON JANUARY 27TH BOARD MEETING, AND THERE'S THREE OF THOSE, WHICH REPRESENT ONE PERCENT OF THE POPULATION.

THE NEXT -- THIS IS OUR NEXT CHART, AND IT'S OUR PACK PERSON CHART, AND WHAT IT SHOWS IS THE CATEGORIES OF THE JURISDICTIONS APPROVALS. AND FOR THOSE JURISDICTIONS THAT HAVE EXCEEDED THE 25 PERCENT GOAL, IT'S APPROXIMATELY 88 PERCENT OF ALL JURISDICTIONS, AND THEY'RE FULLY OR ALMOST FULLY IMPLEMENTING ALL THE PROGRAMS THAT THEY STATED THAT THEY WOULD IMPLEMENT IN THEIR SOURCE REDUCTION AND RECYCLING ELEMENTS.

THE NEXT CATEGORIES ARE GOOD-FAITH EFFORT JURISDICTIONS, WHICH I JUST MENTIONED, AND THOSE ARE AROUND 11, 12 PERCENT OF THE TOTAL JURISDICTIONS. AND THE NUMBERS ARE ROUNDED SO YOU'LL SEE A LITTLE BIT OF A DIFFERENCE BECAUSE OF THAT. AND, FINALLY, THE COMPLIANCE-ORDERED JURISDICTIONS ARE ONE PERCENT OR, AGAIN, THREE JURISDICTIONS TO DATE.

AND AS FAR AS OUR STATUS ON THE REVIEW PROCESS, TO DATE, AS I MENTIONED, WE HAVE 246 JURISDICTIONS AS OF -- THAT WAS AROUND DECEMBER. WE ANTICIPATE ABOUT ANOTHER 100 JURISDICTIONS BEING REVIEWED BY MID, END OF FEBRUARY. THAT DOESN'T NECESSARILY MEAN THEY'LL COME BEFORE THE BOARD, BUT THE REVIEWS HAVE BEEN COMPLETED INTERNALLY.

WE ESTIMATE THAT WE'LL EXCEED THE 80-PERCENT GOAL THAT WE HAD IN THIS AREA, THAT IS REVIEWING APPROXIMATELY 80 PERCENT OF ALL JURISDICTIONS BIENNIAL REVIEWS BY MID-MARCH. AND WE, AGAIN, ESTIMATE THAT WE'LL COMPLETE THE WHOLE PROCESS BY THE END OF JUNE, AND HOPEFULLY THOSE WILL ALL COME BEFORE THE BOARD AT THAT TIME -- OR BETWEEN NOW AND THEN.

THE NEXT MAJOR CATEGORY THAT I MENTIONED IS OUR TOOL AND WEB SITE DEVELOPMENT EFFORT, AND WE HAVE THREE AREAS OR CATEGORIES UNDER THAT. THE FIRST IS THE TOOLS THAT ARE CURRENTLY UNDER DEVELOPMENT. NEXT IS OUR WEB SITE DEVELOPMENT ACTIVITIES, AND THEN, FINALLY, OUR TRASH CUTTERS AWARD PROGRAM.

TOOLS CURRENTLY UNDER DEVELOPMENT. ONE OF THE FIRST THINGS THAT WE'RE DOING IS PUTTING TOGETHER A COMPILATION OF ALL OF THE TOOLS THAT EXIST AT THE BOARD. WE HAVE ONE THAT CURRENTLY EXISTS THAT'S ON THE BOARD'S U DRIVE. WE WANT TO PUT THIS INFORMATION ON OUR WEB SITE, BUT WE'RE GOING TO BE CONTINUALLY UPDATING THAT INFORMATION SO WE'LL HAVE A STATUS OF ALL THE TOOLS THAT EXIST AT THE BOARD, WHO IS RESPONSIBLE, WHEN THEY ARE GOING TO BE COMPLETED AND WHAT INFORMATION EXISTS WITH THOSE TOOLS, SO THAT WHEN WE PUT IT ON THE WEB SITE, JURISDICTIONS WILL HAVE INFORMATION RIGHT BEFORE THEM AND THAT THEY CAN USE IT MORE CONVENIENTLY.

WE'RE ALSO, AS YOU'RE VERY AWARE, UPGRADING OUR WASTE CHARACTERIZATION DATABASE. THAT'S COME BEFORE YOU SEVERAL TIMES. THE PROGRESS HAS BEGUN ON THAT. WE HAVE BEGUN OR WE WILL BE STARTING THE PROCESS OF UPDATING THE VARIOUS COST

Please Note: These transcripts are not individually reviewed and approved for accuracy.

MODELS THEY HAVE THROUGHOUT THE BOARD. MOST OF THOSE ARE APPROXIMATELY THREE OR FOUR YEARS OLD. THEY'RE OUTDATED TECHNOLOGICALLY. SO WE WANT TO UPDATE THOSE, IMPROVE THE GRAPHICS, IMPROVE THE INTERFACES TO MAKE THEM MORE USER-FRIENDLY FOR LOCAL JURISDICTIONS.

WE'RE ALSO LOOKING AT TRYING TO PROVIDE CASE STUDIES TO JURISDICTIONS. WE'VE BEEN GETTING SEVERAL REQUESTS FOR THAT. SO WE'LL BE CONTINUING TO WORK ON THE CASE STUDIES.

THE NEXT ITEM I'D LIKE TO MENTION IS THE WEB SITE DEVELOPMENT ACTIVITIES. FIRST STEP OF THE PROCESS THERE IS WE'VE BEGUN THE PROCESS OF SURVEYING WITH ALL 530 LOCAL JURISDICTIONS THROUGHOUT THE STATE TO FIND OUT WHAT THE STATUS OF THEIR CURRENT COMPUTER USAGE IS AND FIND OUT WHAT WE CAN DO TO FACILITATE IMPROVED COMMUNICATION WITH THE LOCAL JURISDICTIONS THROUGH ELECTRONIC PROCESSING. THAT IS, THEY'LL ALL HAVE ACCESS TO OUR WEB SITE, AND AT THIS POINT IN TIME WE ANTICIPATE THAT BEING COMPLETED BY THE END OF JANUARY, BEGINNING OF FEBRUARY, AND THAT WILL BEGIN ANALYSIS THE PROCESS. WE'VE RECEIVED 100 AND SOMETHING -- 120 PLUS SURVEYS TO DATE SUBMITTED BY THE JURISDICTIONS. WE'RE GOING TO BEGIN TELEPHONE SURVEYING THEM UNTIL WE GET THEM ALL COMPLETED, AND THEN WE'LL BEGIN THAT PROCESS.

WE ALSO PLAN ON ENHANCING THE WASTE CHARACTERIZATION DATABASE ON THE WEB SITE. IT'S CURRENTLY THE THIRD MOST POPULAR DATABASE OR ITEM THAT WE HAVE ON THE -- THE WEB SITE. AND WE'LL CONTINUE TO ENHANCE THAT AND BRING THAT UP TO SPEED.

WE PLAN ON PUTTING ALL THE ANNUAL REPORT -- BIENNIAL REPORT INFORMATION UP ON THE WEB SITE SO THAT JURISDICTIONS CAN TAKE A LOOK AT THE PROGRESS THEY'RE MAKING RELATIVE TO OTHER JURISDICTIONS THROUGHOUT THE STATE. SO THAT WE BELIEVE THAT'S GOING TO BE VERY HELPFUL FOR THEM.

FINALLY, I'D LIKE TO MENTION THE TRASH CUTTERS AWARDS PROGRAM. THE FIRST YEAR OF THIS PROGRAM WAS LAST YEAR. WE WORKED WITH THE LOCAL GOVERNMENT TECHNICAL ADVISORY COMMITTEE TO PUT THAT PROGRAM TOGETHER. THEY'RE NOW DEFUNCT; HOWEVER, WE'RE STILL CARRYING THAT FORWARD. WE ANTICIPATE THAT PROGRAM OR THE PACKETS BEING COMPLETED BY JULY. WE'LL BRING THAT FORWARD TO YOU IN THE NEXT FEW MONTHS AS IT'S BEING COMPLETED.

THE NEXT ITEM I'D LIKE TO MENTION IS OUR OUTREACH AND TARGET ASSISTANCE EFFORTS, AND THESE ARE VERY CRITICAL, BUT THEY -- VERY CRITICAL TO MAKING THOSE FIRST TWO ITEMS NOTEWORTHY FOR LOCAL JURISDICTIONS, BECAUSE WE CAN DEVELOP ALL THE TOOLS WE WANT, BUT IF WE DON'T MARKET THEM AND GET THEM OUT TO JURISDICTIONS, THEY'RE NOT GOING TO BE THAT USEFUL.

WE HAVE WHAT WE CALL OUR GENERAL OUTREACH ACTIVITIES, AND THEN WE ALSO HAVE OUR TARGETED IMPLEMENTATION ASSISTANCE EFFORT, AND THOSE ARE BOTH PREDICATED ON

Please Note: These transcripts are not individually reviewed and approved for accuracy.

INTEGRATION WITH OTHER DIVISIONS AND OFFICES THROUGHOUT THE ORGANIZATION TO MAKE THIS A SUCCESSFUL PROGRAM.

THE GENERAL OUTREACH ACTIVITIES FOCUS ON THOSE JURISDICTIONS THAT ARE ON THEIR WAY TO MAKING 50 PERCENT; HOWEVER, THEY STILL NEED SOME ASSISTANCE. IT'S NOT AS FOCUSED ASSISTANCE, NOT AS LABOR INTENSIVE, BUT, NEVERTHELESS, WE STILL NEED TO HAVE A PRESENCE TO HELP THOSE OTHER JURISDICTIONS. THOSE STAFF WORK IN CONCERT, AGAIN, LIKE -- AS I MENTIONED, WITH STAFF FROM THE MARKETS DEVELOPMENT DIVISION AS WELL AS PERMITS AND ENFORCEMENT AND OTHER OFFICES.

WE HAVE WHAT WE BEGAN THIS SUMMER IS OUR TARGETED IMPLEMENTATION ASSISTANCE EFFORT, AND AS I MENTIONED AT THE START OF THIS SUMMER, IT IS PREDICATED ON HELPING THOSE JURISDICTIONS THAT ARE MOST IN NEED, JURISDICTIONS THAT WE DON'T FEEL ARE ATTRACTED TO MAKING 50 PERCENT, JURISDICTIONS THAT MAY BE PUT ON COMPLIANCE SCHEDULES, AND WE WANT TO FOCUS OUR EFFORTS ON THOSE.

THE WAY THAT PROCESS ACTUALLY WORKS IS WE PERFORM A PRELIMINARY NEEDS ASSESSMENT, LOOK AT WHAT THE DIVERSION RATES, THE AMOUNT OF PROGRAMS THAT ARE BEING IMPLEMENTED. WE CONTACT THE -- WE TALK WITH OTHER STAFF WITH -- THROUGHOUT THE BOARD TO FIND OUT THE STATUS OF THOSE JURISDICTIONS. WE CONTACT THE JURISDICTION. AND ONCE WE MAKE CONTACT, WE FIND OUT DO THEY HAVE A WILLINGNESS TO WORK WITH US. IF THEY DON'T HAVE THAT WILLINGNESS, THEN THEY'RE GOING TO BE DROPPED OUT OF THE PROGRAM.

TO DATE WE HAVEN'T FOUND ANY JURISDICTIONS NOT WILLING TO WORK WITH US. IN FACT, MOST HAVE BEEN EMBRACING THIS EFFORT, AND WORD-OF-MOUTH IS GETTING AROUND, AND WE'RE STARTING TO GET MORE REQUESTS FOR THIS TYPE OF ASSISTANCE.

SO ONCE WE BEGIN THE NEEDS ASSESSMENT PROCESS, WHICH HAS BEGUN FOR 29 JURISDICTIONS TO DATE, THOSE REPRESENT JURISDICTIONS IN NORTHERN CALIFORNIA -- NORTHERN CALIFORNIA AS WELL AS SOUTHERN CALIFORNIA. SOME OF THE COUNTIES THAT ARE BEING PROVIDED THIS SERVICE INCLUDE THOSE IN CONTRA COSTA, MONTEREY, SANTA CRUZ, ORANGE COUNTY, TULARE, TEHAMA, SHASTA. THOSE ARE SOME OF THE COUNTIES AND JURISDICTIONS WITHIN THE COUNTIES.

TO DATE WE HAVE 24 JURISDICTIONS THAT HAVE NEEDS ASSESSMENTS THAT HAVE BEEN COMPLETED, AND WE HAVE 22 JURISDICTIONS WHICH HAVE INTERNAL COORDINATION WORK PLANS COMPLETED. AND WHAT AN INTERNAL COORDINATION WORK PLAN IS IS AN AGREEMENT WITHIN STAFF OF DIFFERENT DIVISIONS AND OFFICES THROUGHOUT THE BOARD THAT THEY'RE GOING TO PROVIDE US WITH CERTAIN LEVELS OF ASSISTANCE, THE AMOUNT OF ASSISTANCE THAT'S GOING TO BE AND BY WHAT TIME FRAME.

WE ALSO HAVE SEVEN JURISDICTIONS WHICH HAVE PLANS THAT ARE SIGNED. AND WHAT A SIGNED PLAN IS, IT'S A COMMITMENT



Please Note: These transcripts are not individually reviewed and approved for accuracy.

BETWEEN A JURISDICTION AND OUR STAFF THAT WE'RE GOING TO COMMIT TO MEETING CERTAIN MILESTONES BY CERTAIN DATES TO GET THROUGH THIS PROCESS. SO AS I MENTIONED, THERE'S SEVEN ON LINE RIGHT NOW. THERE'S 17 ON TARGET TO BE SIGNED BY THIS FEBRUARY, SO -- AND WE'RE PRETTY CONFIDENT THAT THAT WILL OCCUR AT THAT POINT IN TIME. WE ALSO ANTICIPATE THAT WE'LL HAVE 60 ADDITIONAL JURISDICTIONS ON LINE WITHIN THE NEXT SIX TO NINE MONTHS.

THE NEXT STEP IN OUR PROCESS, AS I MENTIONED EARLIER, IS 80 PERCENT OF THE BIENNIAL REVIEWS WILL BE COMPLETED BY MARCH OF 1999, AND, AGAIN, I FEEL PRETTY CONFIDENT THAT WE'RE ON THE MARK ON -- ON THAT PARTICULAR ITEM.

WE'RE GOING TO CONTINUE TO ACTIVELY MONITOR THE JURISDICTIONS ON COMPLIANCE SCHEDULES. AGAIN, YOU'RE GOING TO HAVE THREE COMPLIANCE SCHEDULES COMING FORWARD AT THE JANUARY 27TH MEETING. AND WITHIN THOSE COMPLIANCE SCHEDULES ARE LINE ITEMS THAT THE JURISDICTIONS MUST WORK WITH OUR TARGETED IMPLEMENTATION ASSISTANCE STAFF TO GET PROGRAMS ON LINE.

WE'RE GOING TO COMPLETE OUR STATUS SURVEY OF JURISDICTIONS' WEB ACCESS ABILITIES, AND WE'RE GOING TO HAVE THAT DONE BY THE END OF JANUARY, BEGINNING OF FEBRUARY. WE'RE GOING TO CONTINUE TO ENHANCE OUR WEB SITE, AS I MENTIONED, THE VARIOUS ITEMS THAT WE'RE PUTTING ON THE WEB SITE. AND, AGAIN, AS I JUST MENTIONED, WE'RE GOING TO HAVE 60 TARGETED IMPLEMENTATION ASSISTANCE JURISDICTIONS ON LINE IN THE NEXT SIX TO NINE MONTHS. AND THOSE ARE GOING TO REPRESENT JURISDICTIONS THROUGHOUT THE STATE. WE'RE GOING TO TRY TO KEEP THEM GEOGRAPHICALLY DISPERSED.

THAT PRETTY MUCH CONCLUDES MY PRESENTATION AS FAR AS OUR PROGRESS TO DATE. ARE THERE ANY QUESTIONS?

CHAIRMAN PENNINGTON: QUESTIONS.

OKAY. I THINK YOU MUST HAVE GIVEN -- MR. CHANDLER.

MR. CHANDLER: NO QUESTIONS. LET ME JUST MAKE A -- A FOOTNOTE OR UNDERSCORE, MY DESIRE AND WHY I STRESS SO STRONGLY TO BOTH JUDY AND PAT TO GIVE A COMPREHENSIVE OVERVIEW.

I THINK FOR NEW MEMBERS TO THE BOARD AND NEW MEMBERS THAT WILL SOON BE COMING TO THE BOARD, I THINK IT'S VERY IMPORTANT THAT YOU HAVE A GOOD UNDERSTANDING OF NOT ONLY THE UNDERLYING POLICIES, BUT THE PRIORITIES THAT THIS BOARD AND ITS PREDECESSOR MAKEUP HAS DETERMINED, WHERE WE SHOULD PLACE OUR EMPHASIS, OUR RESOURCES, OUR PRIORITIES.

CLEARLY, ALL OF THE ITEMS THAT YOU SEE COME BEFORE YOU ON AN INCREMENTAL BASIS MONTH BY MONTH ARE BITS AND PIECES OF ESSENTIALLY IMPLEMENTING THESE PLANS. SO IT'S MY DESIRE TO ENSURE THAT YOU HAVE ENOUGH CONTEXT AND UNDERSTANDING OF THE OVERARCHING OBJECTIVES OF THESE PRIORITY AREAS AS WELL AS AN OPPORTUNITY TO REVISIT SOME OF THE UNDERLYING POLICIES,

Please Note: These transcripts are not individually reviewed and approved for accuracy.

SHOULD YOU WISH TO FURTHER CLARIFY OR UNDERSTAND THOSE POLICIES IN A WAY THAT REPRESENT THE BOARD'S CURRENT THINKING.

SO I WOULD APPRECIATE ANY FEEDBACK, EITHER DIRECTLY TO THE PRIORITY TEAM LEADERS, IN THIS CASE JUDY FRIEDMAN, OR MY OFFICE ON ANYTHING WE CAN DO TO MAKE THESE PRESENTATIONS, THESE INFORMATIONAL ITEMS AS BENEFICIAL TO YOU AS POSSIBLE SO THAT YOU HAVE A GOOD CONTEXT AND UNDERSTANDING OF WHERE WE'RE HEADED IN THESE PRIORITY AREAS, AND, THEREFORE, A BETTER UNDERSTANDING AS WELL OF THE INCREMENTAL CONTRACTS OR INITIATIVES THAT STAFF BRING FORWARD ON A MONTH-BY-MONTH BASIS THAT MAKE UP THE IMPLEMENTATION OF THESE PROGRAMS.

THANK YOU.

CHAIRMAN PENNINGTON: MR. JONES.

MR. JONES: I JUST WANT TO ASK ONE QUESTION JUST FOR SOME CLARIFICATION.

ON THE COMPLIANCE PLAN, ON THE WORK-OUT PLAN, THAT'S NOT - - WHEN THE SRE'S WERE SUBMITTED, THAT WAS THE CITY'S BLUEPRINT TO GET TO THE -- SEE THE MANDATE. AND DURING THEIR PROCESS, THEY HAD AN OPPORTUNITY TO AMEND THAT SRE AT SOME POINT DURING THE -- FROM START TO NOW. IT'S THEN, IF -- THEY GO UNDER A COMPLIANCE SCHEDULE, ALL WE'RE DOING IS USING THEIR EXISTING DOCUMENT THAT THEY GENERATED AND PUTTING TIME LINES OR -- YOU KNOW, WE'RE NOT CHANGING ANY CONDITIONS THAT THEY DIDN'T ALREADY PUT DOWN, THAT THIS WAS THEIR ROAD MAP, THIS WAS THE PROGRAMS THEY WERE GOING TO DO. AND WE SET OUT, YOU NEED TO DO THESE THINGS THAT YOU SAID YOU WOULD DO, AND YOU NEED TO HAVE THEM DONE BY THIS PERIOD OF TIME. AND THAT'S THE -- YOU KNOW, WE'RE GIVING THEM A LONG PERIOD OF TIME TO ACHIEVE IT. IF THEY ACHIEVE IT QUICKER THAN THAT, THEY'VE -- THEY'RE IN COMPLIANCE AT THAT POINT. BUT THEY HAVE THE OPPORTUNITY TO TAKE LONGER TO KIND OF FEATHER THOSE PROGRAMS IN IF THEY HAVEN'T ALREADY DONE OR IMPROVE THEM THE WAY THEY NEED TO. THAT'S THE WAY I UNDERSTAND IT. IS THAT PRETTY -- PRETTY CLOSE?

MR. CHANDLER: THAT'S REAL CLOSE. THAT'S HOW WE TREATED IT TO DATE.

MR. JONES: ALL RIGHT.

CHAIRMAN PENNINGTON: ANY FURTHER QUESTIONS?

THANK YOU. THAT WAS OBVIOUSLY A GOOD REPORT, IF NO QUESTIONS.

OKAY. WE'LL MOVE TO ITEM NO. 1, CONSIDERATION OF THE APPROVAL OF A RECYCLING MARKET DEVELOPMENT REVOLVING LOAN PROGRAM APPLICATION FOR GWS NURSERY AND SUPPLIES.

CAREN TRGOVCICH?

MS. TRGOVCICH: GOOD MORNING, CHAIRMAN PENNINGTON AND MEMBERS. I'M CAREN TRGOVCICH, DEPUTY DIRECTOR OF THE WASTE PREVENTION AND MARKET DEVELOPMENT DIVISION.

Please Note: These transcripts are not individually reviewed and approved for accuracy.

BEFORE WE GO SPECIFICALLY INTO THE LOAN FOR GWS THAT'S BEFORE YOU, I'M GOING TO PROVIDE YOU WITH SOME BRIEF PROGRAM FIGURES.

BASICALLY THE FUNDS FOR THE RECYCLING MARKET DEVELOPMENT LOAN PROGRAM ARE APPROPRIATED ON A CONTINUOUS BASIS NOW. BEGINNING IN THE EARLY '90S, THEY WERE APPROPRIATED ON AN ANNUAL BASIS IN THE BUDGET CYCLE.

THE BOARD ESTABLISHED TWO SEPARATE PROCESSES FOR THE APPROVAL OF LOANS UNDER THIS PROGRAM, LOANS THAT ARE -- MAKE FUNDING AVAILABLE FOR RECYCLING-BASED BUSINESSES. THE FIRST PROCESS WAS THE DETERMINATION OF ELIGIBILITY CRITERIA. THE BOARD HAS THAT POLICY-SETTING RULE AND EACH YEAR ADOPTS ELIGIBILITY CRITERIA FOR THE PROGRAM. SO NO LOANS CAN MOVE THROUGH THIS PROGRAM UNLESS THEY MEET THOSE BOARD-ADOPTED CRITERIA.

SECONDLY, THE BOARD APPOINTS A LOAN COMMITTEE, AND THE PURPOSE OF THE LOAN COMMITTEE IS TO, THEREFORE, LOOK AT THE CREDIT ELEMENTS OF EACH LOAN APPLICATION. WHEN THESE TWO PIECES ARE TOGETHER AND A LOAN OR A BORROWER -- POTENTIAL BORROWER HAS MET THE ELIGIBILITY CRITERIA AND HAS BEEN MOVED THROUGH THE LOAN COMMITTEE AND HAS SUCCESSFULLY ACHIEVED THE CREDIT REQUIREMENTS OF OUR LOAN COMMITTEE, WE BRING THE APPLICATION FORWARD TO THE BOARD FOR APPROVAL.

IN SUMMARY, THERE HAVE BEEN APPROXIMATELY OR EXACTLY 66 LOANS THAT HAVE BEEN FUNDED TO DATE OUT OF THIS PROGRAM FOR A TOTAL OF \$26.5 MILLION. YOU APPROVED THREE ADDITIONAL LOANS AT YOUR DECEMBER MEETING FOR A TOTAL OF \$2.3 MILLION. WE HAVE ONE LOAN BEFORE YOU TODAY FOR A TOTAL OF \$200,000, AND YOU HAVE TWO ALREADY SET FOR YOUR FEBRUARY AGENDA FOR ANOTHER \$2 MILLION. SO ALTOGETHER IN THE PAST, OVER A FOUR-MONTH PERIOD, WE ARE SEEING THE SUB-ACCOUNT BEING DRAWN DOWN BY FOUR AND A HALF MILLION DOLLARS, AND WE HAVE OVER \$10 MILLION WORTH OF LOANS IN THE PIPELINE THAT WE WILL BE BRINGING FORWARD TO YOU AT SOME POINT OVER THE NEXT 10 TO 12 MONTHS.

WITH THAT, I'D LIKE TO TURN OVER THE PRESENTATION SPECIFICALLY FOR GWS TO JIM LA TANNER, WHO IS THE MANAGER OF THE LOAN PROGRAM.

MR. LA TANNER: GOOD MORNING. MY NAME IS JIM LA TANNER, AS CAREN MENTIONED, MANAGER OF THE RECYCLING MARKET DEVELOPMENT REVOLVING LOAN PROGRAM, AND I'M READY TO PRESENT GWS NURSERY AND SUPPLY, INC., HAS APPLIED TO THE BOARD FOR A LOAN. STAFF MEMBER DON TSUKIMURA DID THE ANALYSIS ON THIS AND BROUGHT IT TO LOAN COMMITTEE.

IN BRIEF SUMMARY, THEY ARE LOCATED IN LOS ANGELES COUNTY RMDZ. THEY'RE REQUESTING A \$200,000 LOAN FROM US, AND THEY'RE COMING UP WITH AN ADDITIONAL 200,000 TO COMPLETE THE PROJECT. THE COMPANY BEGAN IN 1983. THEY HAVE BEEN PROFITABLE EVERY YEAR SINCE THEN UP TO DATE AND CURRENTLY ARE TRYING TO EXPAND.

Please Note: These transcripts are not individually reviewed and approved for accuracy.

GWS OPERATES A CHIPPING AND GRINDING FACILITY AND RECYCLES SCRAP WOOD AND GREEN WASTE INTO WOOD CHIPS THAT ARE PRIMARILY USED BY NURSERIES. THEY HAVE CURRENT EQUIPMENT RIGHT NOW THAT IS ANTIQUATED, OUTDATED AND SMALL, AND TO EXPAND FURTHER THEY ARE PROPOSING TO PURCHASE A 1988 PREMIER MODEL TUG GRINDER AND A TRAILER USED FOR HAULING PRODUCTS TO THIS. IT'S A BRAND NEW PIECE OF EQUIPMENT.

AT THE LOAN COMMITTEE INITIALLY WE WROTE IT FOR A SEVEN-YEAR PERIOD. THE BORROWER SUBSEQUENTLY REQUESTED A TEN-YEAR AMORTIZATION. THAT WAS APPROVED BY THE LOAN COMMITTEE AT TEN YEARS. THERE WAS SOME QUESTION AS TO THE USEFUL LIFE OF THE EQUIPMENT. IT'S SOMEWHERE BETWEEN SEVEN AND TEN BEING NEW. WE'RE GOING TO LEAN TOWARD TEN YEARS, BECAUSE THERE'S OTHER EQUIPMENT THAT'S BEING PROVIDED AS COLLATERAL, AND THERE'S EXISTING CASH FLOW TO REPAY THE LOAN ON TOP OF THAT.

WITH THAT PRESENTATION, ARE THERE ANY QUESTIONS?

CHAIRMAN PENNINGTON: QUESTIONS?

OKAY. IF NOT, I'LL ENTERTAIN A MOTION.

MR. JONES: MR. CHAIRMAN --

CHAIRMAN PENNINGTON: YES, MR. JONES.

MR. JONES: -- I WOULD LIKE TO MAKE A MOTION THAT WE ADOPT RESOLUTION 1999-11 AWARDING THE RECYCLING MARKET DEVELOPMENT LOAN TO GWS NURSERY.

MR. FRAZEE: I'LL SECOND.

CHAIRMAN PENNINGTON: OKAY. IT'S BEEN MOVED BY MR. JONES AND SECONDED BY MR. FRAZEE THAT THE ADOPTION OF RESOLUTION 1999-11.

ANY FURTHER DISCUSSION?

IF NOT, WILL THE SECRETARY CALL THE ROLL, PLEASE.

MS. KELLY: BOARD MEMBER EATON?

MR. EATON: AYE.

MS. KELLY: FRAZEE?

MR. FRAZEE: AYE.

MS. KELLY: JONES?

MR. JONES: AYE.

MS. KELLY: ROBERTI?

MR. ROBERTI: AYE.

MS. KELLY: CHAIRMAN PENNINGTON?

CHAIRMAN PENNINGTON: AYE.

MOTION CARRIES.

GO TO ITEM NO. 2.

MR. EATON: MR. CHAIR, I FORGOT ONE EX PARTE, AS WE GO. I ALSO GOT A COMMUNICATION FROM T & L ASSOCIATES REGARDING RBC. IT DIDN'T AFFECT ANYTHING IN THE LAST MATTER.

CHAIRMAN PENNINGTON: OKAY.

MR. EATON: T & L ASSOCIATES.

CHAIRMAN PENNINGTON: OKAY. ITEM NO. 2, STATUS OF DEFAULTED RECYCLING MARKET LOAN FOR TIGON INDUSTRIES AND

Please Note: These transcripts are not individually reviewed and approved for accuracy.

CONSIDERATION OF OPTIONS FOR REMEDIATION OF THE TIRE PILE AT THE TIGON INDUSTRIES WASTE TIRE SITE OF RIVERSIDE COUNTY.

CAREN TRGOVCICH.

MS. TRGOVCICH: THANK YOU, AGAIN, CHAIRMAN PENNINGTON.

UNLIKE THE LAST ITEM, THIS ITEM IS AN ITEM WHERE WE ARE COMING FORWARD SEEKING YOUR APPROVAL TO CLEAN UP THE -- A FACILITY THAT WE'VE TAKEN POSSESSION OF THROUGH A FORECLOSURE ACTION.

YOU HEARD ME IN THE LAST ITEM BRIEFLY SUMMARIZE THE PORTFOLIO. WHAT I'D NOW LIKE TO TELL YOU IS THAT WITHIN THAT PORTFOLIO OF 66 LOANS, AND MOST OF YOU ARE AWARE THAT SEVERAL YEARS AGO WE SOLD 17 OF THOSE LOANS, ALTHOUGH WE CONTINUE TO TRACK THEIR PERFORMANCE, BECAUSE THE AMOUNT OF FUNDS THAT GET RETURNED TO US THROUGH THAT SALE ARE BASED UPON THOSE LOANS' PERFORMANCE.

BUT WITHIN THAT PORTFOLIO, APPROXIMATELY TEN PERCENT OF OUR LOANS AT ALL TIMES ARE IN SOME STAGE OF WORK-OUT. WHAT THAT MEANS IS THAT THE BORROWER HAS EXPERIENCED SOME FORM OF FINANCIAL OR OTHER DIFFICULTY, AND WE, AS ANY OTHER LENDER, WORK WITH THE BORROWER TO ENSURE STABILITY AND CONTINUITY IN TERMS OF THE PAYMENTS.

ON OCCASION WE EXPERIENCE A SITUATION WHERE WE MUST MOVE THROUGH SOME FORM OF FORECLOSURE. YOU'RE AWARE THAT WE HAVE UNDERTAKEN IN THE PAST YEAR FORECLOSURE ACTION. WE HAVE ALSO PROCEEDED TO CALL IN A LOAN DUE TO PERSONAL AND CORPORATE BANKRUPTCY ON ANOTHER LOAN.

THIS LOAN THAT'S COMING BEFORE YOU TODAY HAS CERTAINLY BEEN A LOAN THAT WE'VE SPENT MANY YEARS WORKING WITH THE BORROWER ON, TRYING TO BRING IN NEW INVESTORS TO KEEP THIS SITE GOING.

THIS IS A TIRE LOAN. THIS LOAN WAS MADE BACK IN 1993, WHEN THE BOARD ALLOCATED \$1 MILLION FROM THE TIRE FUND IN ITS ANNUAL ALLOCATION CYCLE TO BE MADE AVAILABLE FOR TIRE RECYCLING BUSINESSES.

TIGON WAS ONE OF THOSE BUSINESSES THAT CAME FORWARD AND WAS SUCCESSFULLY AWARDED A LOAN UNDER THIS PROGRAM. WE HAVE BEEN WORKING WITH THE PRINCIPALS IN TIGON SINCE LATE 1994 TO IDENTIFY OTHER INVESTORS, TO WORK WITH THEM ON RESTRUCTURING OPTIONS THAT WOULD ENABLE THEM TO, ONE, CONTINUE THE BUSINESS, BUT MORE IMPORTANT FROM OUR PERSPECTIVE, TO RETAIN THE CAPACITY IN THE SOUTHERN CALIFORNIA REGION FOR CRUM. THAT WAS OUR KEY INTEREST AS WELL AS OUR FINANCIAL INTEREST IN THIS SITE.

BECAUSE THE INVESTOR OPTIONS HAVE NOT BEEN SUCCESSFUL TO DATE, WE'VE WORKED WITH OVER THREE, THE MOST RECENT ONE WHICH FAILED IN EARLY SPRING OF THIS YEAR. WE THEN PROCEEDED WITH OUR FORECLOSURE ACTION. THIS SITE WAS ALSO HELD UP THROUGH A

Please Note: These transcripts are not individually reviewed and approved for accuracy.

SUBSEQUENT BANKRUPTCY FILING, WHICH YOU'LL ALSO HEAR ABOUT AS WELL.

THIS IS A UNIQUE SITUATION THAT'S BEING BROUGHT BEFORE YOU, BECAUSE THIS IS THE FIRST TIME THAT WE'VE EXPERIENCED A CLEANUP WITHIN ANY OF OUR LOAN SITES. SO THIS IS A FIRST TIME FOR US AS WELL, AND WE'VE BEEN WORKING CLOSELY WITH THE STAFF OF THE PERMITTING ENFORCEMENT DIVISION AS WELL AS THE DEPARTMENT OF GENERAL SERVICES, BECAUSE WE NOW HAVE POSSESSION OF THIS SITE, AS YOU WILL HEAR, IN TERMS OF HOW TO PROCEED.

THIS WILL BE A JOINT PRESENTATION BY JIM LA TANNER, WHO JUST MADE THE PRESENTATION TO YOU ON THE PRIOR LOAN AS WELL AS ALBERT JOHNSON FROM THE PERMITTING ENFORCEMENT DIVISION.

MR. LA TANNER: GOOD MORNING AGAIN. JIM LA TANNER FOR THE RECORD.

TO EXPAND A LITTLE BIT UPON THAT, THE TIGON INDUSTRIES, INC., LOAN WAS APPROVED AND FUNDED IN DECEMBER '93. TIGON WAS A START-UP OPERATION OPERATING A GROUND RUBBER MANUFACTURING PLANT. THINK STOCK WAS TO COME FROM LANDFILLS WITHIN THE SIX ADJOINING COUNTIES. THE END PRODUCT WAS GROUND RUBBER TO BE USED AS CRUM RUBBER MODIFIER IN ASPHALT, PAVEMENT MATERIALS TO BE SOLD TO WHOLESALERS SUPPLIERS, ULTIMATELY TO CALTRANS.

UNFORTUNATELY, WITH THE MANAGEMENT OF TIGON, THAT NEVER MATERIALIZED. THE LOAN PROCEEDS WERE ORIGINALLY \$500,000, WENT TO PURCHASE TIRE GRINDING MACHINERY AND EQUIPMENT OF 250,000, LAND AND BUILDING OF 250,000. IN ADDITION, THE LOAN WAS PERSONALLY GUARANTEED BY CHARLES O. STONER, PRESIDENT OF TIGON, AND HIS WIFE DEBRA, WHO GAVE A DEED OF TRUST ON THEIR PRIMARY RESIDENCE AND ALSO ON FOUR LOTS.

THE LOAN IS CURRENTLY COLLATERALIZED. THE BOARD NOW OWNS THE BUSINESS PROPERTY AND EQUIPMENT IN RIVERSIDE ON PLACENTIA LANE. THERE'S A DECEMBER '97 APPRAISAL ON THAT AT 302,000. HOWEVER, THE CURRENT VALUE WAS LESS. WE ALSO HOLD A FIRST UCC FINANCING STATEMENT ON ALL THE EQUIPMENT WHICH IS ALL ON-SITE AND HAS BEEN CONFIRMED AND INVENTORIED.

WE HOLD A SECOND DEED OF TRUST ON HIS PRIMARY RESIDENCE. THE FIRST MORTGAGE IS ABOUT 23,000. HE HAS FILED BANKRUPTCY CHAPTER 7. WE HOPE FOR A RELIEF OF STAY PROBABLY IN MARCH OR APRIL. WE ALSO HOLD A FIRST DEED OF TRUST ON FOUR RESIDENTIAL LOTS THAT ARE UNDEVELOPED. THEY HAVE AN APPRAISED VALUE OF 133,000.

LOAN COLLECTION EFFORTS. HE DID MAKE PAYMENTS FOR PART OF THE FIRST YEAR OF THE LOAN, THEN CEASED MAKING PAYMENTS. HIS COMMENT AS TO WHY IS BECAUSE THE BUSINESS WAS NOT PROFITABLE, THAT WITH HIGH OVERHEAD.

THE CURRENT STATUS OF THE PROPERTY. THE SITE IS SECURED BY A FENCE. WE HAVE A 24-HOUR GUARD OUT THERE. THE GUARD IS SUCCESSFUL IN PREVENTING ADDITIONAL TIRE DUMPING. I WAS OUT THERE LAST NIGHT. THERE'S BEEN NO ADDITION TO THAT. THE DAYTIME

Please Note: These transcripts are not individually reviewed and approved for accuracy.

GUARD DOES ROUTINELY TURN PEOPLE AWAY THAT COME TO TIGON TO TRY AND SELL TIRES TO THEM OR DUMP THEM.

AS FOR THAT, THE NEXT STEP IS ALBERT JOHNSON FOR P & E WILL DISCUSS THE OPTIONS FOR CLEANING UP THE SITE.

MR. EATON: COULD I ASK A QUESTION WITH REGARD TO YOUR PRESENTATION?

MR. LA TANNER: YES.

MR. EATON: YOU MENTIONED THAT THE LOAN ORIGINALLY WAS 250,000 FOR BUILDING AND LAND AND 250,000 FOR MACHINERY AND EQUIPMENT?

MR. LA TANNER: CORRECT.

MR. EATON: I NOTICE IN THE LOAN COLLATERAL OR WHAT'S OUT THERE, WHERE IS THE GRINDING MACHINERY AND EQUIPMENT? IS THAT PART OF WHAT OUR ASSETS ARE?

MR. LA TANNER: WE HAVE A DECEMBER '97 APPRAISAL OF 55,000, WHICH INCLUDES THE TIRE GRINDING AND SHREDDING EQUIPMENT, THE FORKLIFTS, THE OFFICE FURNITURE AND EVERYTHING ON-SITE.

MR. EATON: BUT IS THAT THE EQUIPMENT THAT WE PURCHASED WITH THE ORIGINAL LOAN?

MR. LA TANNER: YES, IT IS.

MR. EATON: OKAY. THAT'S WHAT I'M ASKING.

MR. LA TANNER: YES, IT IS. RIGHT.

MR. JOHNSON: GOOD MORNING, MR. CHAIRMAN AND MEMBERS OF THE BOARD. MY NAME IS ALBERT JOHNSON. I WORK IN THE WASTE TIRE STABILIZATION AND ABATEMENT PROGRAM.

WE'RE RECOMMENDING THAT THE BOARD APPROVE OPTION 1, WHICH IS UTILIZING OUR EXISTING CONTRACT WITH SUKI CONSTRUCTION COMPANY UNDER THE WASTE TIRE STABILIZATION ABATEMENT PROGRAMS EAGLE LEGAL TIRE SERVICE CONTRACT.

BY USING OUR EXISTING CONTRACTOR, WE CAN GET OUT THERE IMMEDIATELY AND BEGIN THE CLEANUP WORK AT THE SITE. IF YOU CHOOSE OPTION 2, USING THE RMDZ LOAN PROGRAM FUNDING, IN THEIR HIRING OF A CONTRACTOR, IT WILL DELAY THE PROJECT SEVERAL MONTHS WHILE THEY GO OUT WITH A REQUEST FOR A PROPOSAL TO PROCURE THAT CONTRACTOR.

WITH THE WASTE TIRE STABILIZATION PROGRAM, CLEANING UP THE SITE UNDER OPTION 1, WE FEEL THAT WE CAN HAVE THE SITE CLEANED UP AND READY FOR SALE BY THE END OF FEBRUARY. THE CLEANUP WORK SHOULD TAKE ABOUT 30 DAYS. AND SINCE WE CAN START, YOU KNOW, POTENTIALLY NEXT WEEK, IT SHOULD GO RELATIVELY QUICK.

AND, ADDITIONALLY, OUR ORIGINAL COST ESTIMATE WAS ABOUT \$241,000 FOR THE CLEANUP. HOWEVER, SINCE WRITING THE AGENDA ITEM, WE HAVE PUT THE SITE OUT TO BID. WE NOW HAVE A CLEANUP COST OF ABOUT \$194,650 FOR REMOVAL OF ALL THE TIRES AND ALL THE SOLID WASTE THAT'S ON-SITE. THAT ESTIMATE IS BASED ON 200,000 TIRES BEING ON-SITE OF WHICH IS THE HIGHER END OF OUR -- THE RANGE OF

Please Note: These transcripts are not individually reviewed and approved for accuracy.

THE ESTIMATE THAT WE HAVE IN THE AGENDA ITEM. SO THE POTENTIAL EXISTS THAT IT COULD COME IN A BIT CHEAPER.

WITH THAT, IF YOU HAVE ANY QUESTIONS, I'D BE HAPPY TO ANSWER THEM.

MR. EATON: WHERE ARE THE TIRES GOING TO GO? WILL WE BE GETTING BENEFICIAL USE OUT OF WHAT WE CLEAN UP?

MR. JOHNSON: YEAH. THE -- WITH THE BID THERE'S 25 PERCENT THAT ARE GOING TO GO TO CAL PORTLAND CEMENT FOR -- TO BE BURNED, RECYCLED, AND THE REMAINDER WOULD GO TO THE LANDFILL FOR DISPOSAL.

HOWEVER, THE POSSIBILITY EXISTS THAT GREATER THAN 25 PERCENT WILL GO FOR RECYCLING AT THE CEMENT KILN, BUT THEY HAVE A LIMITATION THAT THEY COULD ONLY TAKE ABOUT 35 TONS PER DAY THERE, MAXIMUM.

MR. EATON: THIS IS PROBABLY NOT A QUESTION FOR YOU, BUT WE'VE KNOWN ABOUT THIS SINCE ABOUT 1994, CORRECT --

MR. JOHNSON: YEAH. YEAH.

MR. EATON: -- THEY'VE HAD A PROBLEM WITH THEIR LOAN.

CAN YOU GIVE ME ANY IDEA OR PERHAPS HOW LONG -- HOW MANY TIRES DID THEY START TAKING IN SUBSEQUENT TO THE FIRST TIME WE KNEW THAT THEY WERE HAVING PROBLEMS? DO YOU UNDERSTAND THE QUESTION?

FOR INSTANCE, IF WE KNEW IN 1994, AND THEN WE KNEW IN 1995, DID THEY CONTINUE TO TAKE IN TIRES DURING THAT TIME?

MR. JOHNSON: YEAH, I THINK THEY DID. HOWEVER, THE TIRES -- GO AHEAD.

MR. EATON: AND THE REASON WHY I'M LEADING IT, IS THERE ANY NEED IN THE FUTURE TO AVOID THIS PROBLEM, THAT WE HAVE SOMETHING IN EITHER OUR CONTRACT OR OUR LOAN DOCUMENTATION THAT SAYS, YOU KNOW, IF X, Y OR Z HAPPENED, THEN YOU CANNOT CONTINUE TO TAKE IN THIS?

BECAUSE, IN ESSENCE, WE'RE KIND OF -- IT SEEMS LIKE IF THEY CONTINUE TO TAKE TIRES IN AFTER WE FIRST KNEW -- EVEN GIVEN, YOU KNOW, SIX MONTHS OR A YEAR, YOU KIND OF KNOW, BUT, YOU KNOW, WE'RE TALKING SEVERAL YEARS THEREAFTER. WHO KNOWS HOW MANY TIRES ACCUMULATED SUBSEQUENT TO THAT. AND IS THERE ANYTHING WE CAN DO TO PREVENT OR REMEDY THAT SITUATION IN THE FUTURE? OBVIOUSLY, THIS IS THE SITUATION THAT OCCURRED NOW, BUT WE SHOULD LEARN FROM WHAT WE HAVE NOW.

MS. TRGOVCICH: BECAUSE WE FIRST PROCEEDED BACK IN 1994 TO BEGIN TO WORK WITH THIS COMPANY, THEY STILL REMAINED IN OPERATION, SO THERE WERE ALWAYS TIRES BEING ACCEPTED AND COMING IN ON-SITE.

THEY WERE ALSO UNDER THE EXCLUSION PROVISIONS OF THE BOARD'S WASTE TIRE STORAGE REGULATORY PROGRAM. AND THEN WHEN THOSE EXCLUSIONS WERE REVOKED, THEY THEN PROCEEDED TO BE IN A STATUS THAT INITIATED PAPERWORK FROM THE PERMITTING



Please Note: These transcripts are not individually reviewed and approved for accuracy.

AND ENFORCEMENT DIVISION.

THIS SITE WAS UNDER A CLEANUP AND ABATEMENT ORDER AT THE TIME THAT THE FORECLOSURE PROCEEDS WERE PURSUED. SO WE INITIATED -- THE BOARD INITIATED AT THAT POINT IN TIME MANY ACTIVITIES TO BE ABLE TO CEASE ACCEPTANCE OF TIRES AT THE SITE.

HOWEVER, UNTIL WE MOVED INTO THAT STATUS WITH THE COMPANY, THEY WERE STILL IN OPERATION. THEY STILL NEEDED TO ACCEPT TIRES TO BE ABLE TO PERFORM THEIR BUSINESS ACTIVITIES.

MR. EATON: DID THEY PAY US DURING THAT TIME THAT THEY WERE STILL ACCEPTING OR --

MS. TRGOVCICH: NO, THEY DID NOT. THEY WERE IN FORMS OF WORK-OUT AGREEMENTS AT THAT POINT IN TIME. SOME MONEY DID COME IN FOR A PERIOD OF TIME, AND THEN IT CEASED AGAIN.

THERE WAS ALSO WHAT'S -- WHAT WOULD BE VERY IMPORTANT FOR YOU TO BE AWARE OF AS WELL IS THAT THERE WERE APPROXIMATELY -- ROBERT, I'M NOT QUITE SURE IF YOU OR STEVE DOLAN FROM THE SOUTHERN CALIFORNIA OFFICE WOULD KNOW -- APPROXIMATELY 5- TO 8,000 TIRES ON SITE AT THE TIME THAT WE SENT THE NOTICE OF FORECLOSURE ACTION TO THE COMPANY.

BETWEEN THAT TIME -- AND THAT WAS NOT OUR PROPERTY AT THAT POINT, REMEMBER -- AND THE TIME THAT THE FORECLOSURE SALE ACTUALLY OCCURRED AND THE PROPERTY BECAME OURS, THE AMOUNT OF TIRES ON THE SITE WENT FROM THAT 5- TO 8,000 TO UP OVER 100,000 TIRES.

MR. LA TANNER: THAT'S ROUGHLY FROM AUGUST UNTIL DECEMBER. AUGUST OF '8- --

MS. TRGOVCICH: THE TIME FRAME THAT JIM IS REFERRING TO IS APPROXIMATELY AUGUST OF 1998 UNTIL EARLY DECEMBER 1998. ONCE THE PROPERTY BECAME OURS, WE IMMEDIATELY PROCEEDED TO MOVE SECURITY ONTO THE SITE.

MR. ROBERTI: WHAT YOU'RE SORT OF SAYING IS THAT THERE IS A PERIOD OF TIME WHERE WE HAVE TO MAKE A HEAVY JUDGMENT DECISION, I GUESS, AS TO WHETHER WE ACCELERATE A POSSIBLY GOING - - COMPANY GOING DOWN OR WE CONTINUE THE BAD ACTIVITY OF COLLECTING THE TIRES FOR FAILING COMPANIES. SO --

MS. TRGOVCICH: AND WE WERE --

MR. ROBERTI: -- AS SOON AS YOU FELT IT WAS A CLEAR -- AS SOON AS THE BOARD FELT IT WAS, YOU KNOW, A CLEAR CASE THAT THE COMPANY WASN'T GOING ANYWHERE, WE FORECLOSED.

MS. TRGOVCICH: CORRECT, AND WHAT -- WE TRIED TO PROCEED IN A MUCH MORE EXPEDITIOUS FASHION. HOWEVER, WE WERE HALTED BECAUSE OF THE BANKRUPTCY FILING, THE PERSONAL BANKRUPTCY FILING. THAT STAYED THE INITIAL FORECLOSURE SALE.

CHAIRMAN PENNINGTON: OKAY.

MR. EATON: PROBABLY FOR LEGAL ON THE BANKRUPTCY, WHERE IS OUR PLACE HOLDER -- POSITION?

MS. TOBIAS: FOR WHAT? FOR THE --

Please Note: These transcripts are not individually reviewed and approved for accuracy.

MR. EATON: WELL, WE'VE OBVIOUSLY -- HE WENT INTO BANKRUPTCY ON SOME OF THE PROPERTY, CORRECT?

MS. TRGOVCICH: HE FILED PERSONAL BANKRUPTCY. SO WHAT THAT DID, INITIALLY THAT STAYED THE FORECLOSURE BECAUSE IT WAS UNCLEAR AT THAT POINT IF THE COMMERCIAL PROPERTY WAS TIED IN.

WE PROCEEDED, ONCE WE RECEIVED AGREEMENTS OR RULINGS ON THAT ASPECT, WITH THE SALE OF THE COMMERCIAL PROPERTY. THE PERSONAL RESIDENCE PLUS THE FOUR COMMERCIAL LOTS ARE STILL HELD UP WITHIN THAT BANKRUPTCY PROCEEDING.

MR. EATON: AND I ASSUME WE MADE A CLAIM IN BANKRUPTCY COURT.

MS. TOBIAS: SURE.

MR. EATON: AND SO WHAT I'M TRYING TO FIND OUT IS WHAT IS OUR STATUS AS A CLAIM.

MS. TOBIAS: I CAN'T GIVE YOU A SPECIFIC ONE BECAUSE I DON'T KNOW ALL THE CLAIMANTS, BUT GENERALLY WE'RE AFTER THE IRS, FRANCHISE TAX BOARD, YOU KNOW.

MR. EATON: SECURED OR UNSECURED? LET'S GO -- ARE WE UNSECURED OR SECURED?

MS. TOBIAS: I DON'T KNOW THAT.

MR. LA TANNER: MY UNDERSTANDING IS WE'RE THE ONLY SECURED CREDITOR AT THIS POINT. WE HAVE FILED FOR RELIEF OF STAY FROM THE BANKRUPTCY COURT. WE EXPECT, BECAUSE HE CONVERTED TO A CHAPTER 7, TO OBTAIN THAT IN MARCH OR APRIL.

CHAIRMAN PENNINGTON: OKAY. MR. JONES?

MR. JONES: MR. CHAIRMAN, WHEN I READ THIS -- WHEN I READ THIS ITEM THE FIRST TIME AND SAID IT WAS AN RMDZ LOAN, IT SEEMED TO ME THAT WE NEEDED TO USE RMDZ FUNDS TO REMEDY THE PROPERTY TO GET IT IN A CONDITION WHICH IS ALLOWED BY LAW, BUT THEN I FOUND OUT THAT THIS WAS AN RMDZ LOAN THAT USED TIRE MONEY. AND SO NOW THERE ARE \$241,000 OF TIRE PILES THAT AREN'T GOING TO GET CLEANED UP AS WE END UP LOSING \$821,000 ON THIS LOAN.

I DON'T HAVE A PROBLEM WITH RISK WHEN IT COMES TO TRY AND PROMOTE MARKETS. THAT'S WHAT THIS PROGRAM IS ABOUT, BUT IT DOES GALL ME THAT WE'RE -- WHEN WE HAVE A FUND BALANCE OF OVER \$18 MILLION IN RMDZ, THAT WE HAVE TO GET OUT THERE, AND BY LAW WE COULD USE RMDZ MONEY TO CLEAN THIS PROPERTY UP, THAT WE HAVE TO USE PRECIOUS TIRE MONEY TO DO IT. JUST MAKES IT HARD FOR ME TO -- YOU KNOW, I WOULD SUPPORT OPTION 1, BUT I WOULD SURE LIKE TO SEE US HAVE BEEN ABLE TO USE THAT SURPLUS MONEY.

MR. CHANDLER: POINT WELL TAKEN, BOARD MEMBER JONES.

KARIN FISH, WOULD YOU LIKE TO ADD ANYTHING TO WHY WE'RE IN THIS SITUATION, BEING RESTRICTED, AND PERHAPS SET SOME BACKDROP FOR WHETHER OR NOT THE BOARD WANTS TO CONSIDER MAKING ANY DECISIONS ON HOW WE COULD NOT BE PRECLUDED FROM USING RMDZ MONEYS TO SOLVE THIS? BECAUSE I THINK IT IS KIND OF A FUND INTEGRITY OR A FUND TRANSFER QUESTION THAT WE RAN INTO HERE.

Please Note: These transcripts are not individually reviewed and approved for accuracy.

MS. FISH: YEAH. YEAH, IT IS A DIFFICULT DECISION. BECAUSE OF THE ORIGINAL FUNDING OF THE LOAN, WE COULD BE HELD UNDER AUDIT THAT WE WERE NOT OPERATING WITHIN THE APPROPRIATE LEGAL AUTHORITY WITH THE LAW THAT ESTABLISHES THE RMDZ REVOLVING LOAN ACCOUNT. HOWEVER, YOU DO HAVE WITHIN THE LAW THE ABILITY TO -- THAT THIS FUND CAN BE USED TO PROTECT OUR INTEREST AS A LENDER CREDITOR.

YOU ALSO HAVE THE SITUATION THAT ONE IS APPROPRIATED. ONE IS NOT. SO YOU COULD POTENTIALLY SAY TO PROTECT US A LENDER CREDITOR AND THE FACT THAT YOU HAVE CONTINUOUSLY APPROPRIATED FUNDS FOR THIS PURPOSE, GO THERE.

UNDER AUDIT WE COULD ARGUE THE REASON FOR DOING THIS, BUT I DO NEED TO WARN YOU THAT THERE COULD BE AN AUDIT UPSET -- AN AUDIT -- AN AUDIT EXCEPTION. HOWEVER, WE COULD ARGUE THE LOGIC AND THE REASON THE BALANCE OF THE FUND AS WELL AS ITS CONTINUOUSLY APPROPRIATED STATUS.

CHAIRMAN PENNINGTON: SENATOR ROBERTI, YOU --

MR. ROBERTI: IT'S BEEN EXPLAINED TO ME IN THE PAST, BUT I'M STILL RELATIVELY UNCLEAR, AS TO HOW TWO SEPARATE FUNDS, MARKET DEVELOPMENT AND TIRE CLEANUP, ARE SO INTERCHANGEABLE. THAT APPEARS TO BE THE CASE HERE.

I ACT IN FAVOR OF THE RESOLUTION, BECAUSE I THINK THE TIRE MONEY CAN ONLY BE USED FOR THAT, WHEREAS MARKET DEVELOPMENT HAS A BROADER PORTFOLIO, AND WE SHOULD USE IT FOR THAT, BUT I'M STILL UNCLEAR AS TO WHAT OUR LEGAL SCOPE OF ACTION IS AS BETWEEN THESE TWO FUNDS AND WHY WE COULD MOVE FROM ONE TO THE OTHER.

MS. TRGOVCICH: IS WHAT YOU ARE ASKING A QUESTION IN REGARDS TO, IS THE CONTRACT VEHICLE?

MR. ROBERTI: WELL, BOTH THE CONTRACT VEHICLE AND, I GUESS, THE ORIGINAL -- WELL, I GUESS THE ORIGINAL CLEANUP WOULD HAVE INCLUDED THE TIRES. THE ORIGINAL MARKET DEVELOPMENT LOAN WOULD HAVE INCLUDED TIRES. THERE'S NO RESTRICTIONS. SO, YEAH, I WOULD SAY AS FAR AS THE CONTRACT VEHICLE IS CONCERNED.

MS. TRGOVCICH: THE -- IT'S NOT A MATTER THAT THE FUNDS ARE INTERCHANGEABLE. I'LL SPEAK BRIEFLY TO TWO PIECES.

FIRST, THE ORIGINAL ALLOCATION BY THE BOARD OF THE \$1 MILLION IN TIRE FUNDS. I PULLED THE TRANSCRIPT, AND I HAVE IT WITH ME, IF ANYONE WOULD LIKE TO LOOK AT IT, IN TERMS OF BOARD ACTION. AND WHAT THE BOARD DISCUSSION WAS -- AT THE TIME WAS, WE WANT TO SET UP A LOAN PROGRAM UNDER THE TIRE FUND, BUT WE DO NOT SEE THE NEED OR PURPOSE TO DUPLICATE THE BUREAUCRATIC PROCESS THAT GOES ALONG WITH THE LOAN PROGRAM. SO WE WILL USE THE RECYCLING MARKET DEVELOPMENT LOAN PROGRAM TO PROCESS LOANS THAT WE WANT TO MAKE FOR TIRES UNDER THE TIRE FUND.

SO THERE WAS A DISTINCTION MADE BY THE BOARD. THE BOARD WASN'T SIMPLY MAKING THE DECISION TO FUNNEL \$1 MILLION INTO THE RMDZ SUB-ACCOUNT OR INTO THE RMDZ PROGRAM. THE BOARD MADE

Please Note: These transcripts are not individually reviewed and approved for accuracy.

THE DECISION TO SET UP A SEPARATE LOAN PROGRAM FOR AN AMOUNT OF \$1 MILLION AND USE THE EXISTING INFRASTRUCTURE TO PROCESS LOANS AT THE BOARD TO MAKE THAT MONEY AND THOSE LOANS HAPPEN.

SO THE MONEY WASN'T INTERCHANGEABLE THERE, BUT THE PROGRAM STAFF WAS AS WELL AS WERE THE CONTRACTING VEHICLES TO BE ABLE TO REVIEW THE FINANCING AND PROCESS THE LOAN DOCUMENTS.

IN TERMS OF THE CLEANUP NOW ON THE BACK END, THE -- WHAT WE ARE TRYING TO DO IS TO RETAIN THE DISTINCTION BETWEEN THOSE FUNDS. FOR THE SHORT PERIOD OF TIME THAT TIGON DID MAKE PAYMENT INTO THE -- ON THE LOAN, THOSE MONEYS WERE THEN PLACED INTO THE TIRE FUND. VERY SIMILARLY TO THE PARCO LOAN THAT RECENTLY WENT BANKRUPT, WE CALLED IN A LETTER OF CREDIT, THAT ENTIRE LETTER OF CREDIT, WHICH WAS IN EXCESS --

MR. ROBERTI: CAN I STOP YOU THERE? I'M STILL UNCLEAR IF THE ORIGINAL LOAN CAME OUT OF RECYCLING AND MARKET DEVELOPMENT.

MS. TRGOVCICH: THE ORIGINAL LOAN WAS SIMPLY PROCESSED USING THE RECYCLING MARKET DEVELOPMENT LOAN PROGRAM STAFF AND CRITERIA.

MR. ROBERTI: OKAY. FINE. OKAY. THAT'S CLEAR.

MS. TRGOVCICH: OKAY. IN TERMS OF THEN THE CLEANUP, ANY PROCEEDS THAT WOULD BE DERIVED FROM THE SALE OF THE PROPERTY WILL AUTOMATICALLY GO BACK INTO THE TIRE FUND AS WELL, WHICH IS EXACTLY AS HAPPENED WITH PARCO, AS I JUST MENTIONED, WHEN WE CALLED THE LETTER OF CREDIT, AND OVER \$800,000 WENT IMMEDIATELY BACK INTO THE TIRE FUND.

SO WE ARE NOT CROSSING LINES IN TERMS OF THE FUNDING. WE ARE USING THE FUNDING SOURCE, WHICH MADE THE LOAN AS THE FUNDING SOURCE TO CLEAN UP THE SITE. THAT IS WHAT OPTION 1 PROPOSES.

MR. FRAZEE: COULD I SEE THAT --

CHAIRMAN PENNINGTON: YEAH.

MR. FRAZEE: -- A LITTLE BIT FURTHER?

THE INITIAL \$1 MILLION THAT WAS ALLOCATED FROM THE TIRE FUND FOR THIS PURPOSE, WAS THAT ALL USED?

MS. TRGOVCICH: I BELIEVE ALL OF THAT MONEY WAS USED, AND, IN FACT, THERE WAS A THIRD TIRE LOAN MADE, THAT BECAUSE THERE WAS NOT SUFFICIENT FUNDS IN THE \$1 MILLION THAT WAS ALLOCATED, THAT THE DEFICIENCY, THE GAP, WAS FUNDED THROUGH THE RMDZ SUB-ACCOUNT MONEYS.

MR. FRAZEE: SO THERE ARE NOW NO FUNDS SITTING IN RMDZ THAT CAME THERE AS THE RESULT OF TIRE MONEY?

MS. TRGOVCICH: NO, AND NONE OF THOSE FUNDS EVER SAT THERE

--

MR. FRAZEE: RIGHT. OKAY.

MS. TRGOVCICH: -- REGARDLESS.

Please Note: These transcripts are not individually reviewed and approved for accuracy.

MR. FRAZEE: SO THEN IT'S ACADEMIC WHERE THIS MONEY COMES FROM. IT'S STILL GOING TO COME FROM THE TIRE FUND, BECAUSE THERE IS NO POT OF RMDZ MONEY TO USE FOR THIS PURPOSE, AND I THINK THAT'S THE --

MR. CHANDLER: WELL, I THINK THE POINT THAT MISS FISH IS MAKING IS THAT THERE IS APPARENT LANGUAGE THAT ALLOWS FOR US TO PROTECT OUR INTERESTS, ALL RMDZ-FUNDED LOANS. AND, THEREFORE, IF WE WANT TO TRY TO BOOTSTRAP ALONG THAT LINE, WE COULD PERHAPS MAKE THE ARGUMENT THAT WE COULD GO TO THE RMDZ FUND AND ATTEMPT TO PROTECT OUR INTEREST BY MAKING THIS PROPERTY READY FOR RESALE AND THEREBY USING THOSE FUNDS TO TRY TO CLEAN IT UP. I DON'T BELIEVE -- THE ARGUMENT IS NOT QUITE --

MR. FRAZEE: I THINK YOU'RE WALKING A DANGEROUS LINE THERE, THOUGH, BECAUSE THE -- AS I UNDERSTAND, AND HAVE A LITTLE CLEARER VIEW OF IT HERE, THE RMDZ WAS ONLY USED AS A VEHICLE TO HANDLE THIS MONEY.

MR. CHANDLER: THAT'S CORRECT.

MR. FRAZEE: AND SO I DON'T THINK THAT YOU CAN FIND A LEGAL TIE -- I CAN PRACTICE LAW HERE -- FIND A LEGAL TIE BACK TO THE RMDZ FUNDS WHERE IT WOULD MEET THE TEST OF AN APPROPRIATE USE OF RMDZ FUNDS. SO THE ONLY OPTION WE HAVE IS THE ONE THAT'S BEFORE US.

MR. CHANDLER: WE DON'T DISAGREE.

CHAIRMAN PENNINGTON: MR EATON?

MR. CHANDLER: I THINK WE JUST WANTED TO LAY THAT ALTERNATIVE OUT.

MR. EATON: I JUST -- JUST ONE CLOSING COMMENT, AND I WANT YOU TO TAKE IT IN -- IN A POSITIVE LIGHT, AND NOT A NEGATIVE ONE.

THIS WAS A RELATIVELY EARLY PROGRAM, AT THIS TIME, IF I'M NOT MISTAKEN. I WOULD HOPE ALL OF US, THOSE WHO WEREN'T -- SOME OF US -- MOST OF US -- I DON'T THINK ANY OF US WERE AROUND AT THE TIME, PERHAPS, THAT THIS WAS MADE, AND THAT'S NOT THERE -- I WOULD ENCOURAGE YOU AS A STAFF, NOW THAT WE'VE ALL LEARNED THIS LESSON, THAT IN THE FUTURE, WE DON'T -- WE DON'T WAIT THREE YEARS. WE DON'T GIVE AS MUCH HEART AND SOUL AS WE HAVE.

AND THERE'S AN OLD EXPRESSION THAT PERHAPS, I THINK, MR. FRAZEE AND SENATOR ROBERTI PROBABLY KNOW BETTER THAN ALL -- THE OTHER THREE, AND I'M NOT MEANING TO BE DEGRADING, BUT CUT YOUR LOSSES EARLY, AND YOU'LL BE BETTER OFF. AND I THINK THAT WE'VE ALL LEARNED THAT. AND I WOULD HOPE THAT -- I THINK THIS BOARD IS GOING TO BE REALLY RECEPTIVE TO THOSE KINDS OF THINGS, AND I WOULD ENCOURAGE YOU TO COME EARLY, YOU KNOW, AS WE LEARN THESE LESSONS, AND THAT'S ALL I WOULD HAVE TO SAY.

MR. FRAZEE: MR. CHAIRMAN, I THINK WE'VE ALREADY -- IN MODIFYING THE TIRE REGULATIONS, HAVE CLOSED THAT DOOR BECAUSE HAD THE -- THIS SITE BEEN UNDER JURISDICTION RATHER THAN SITTING THERE WITH AN EXEMPTION, AS THEY WERE, WHEN THEY WENT OVER

Please Note: These transcripts are not individually reviewed and approved for accuracy.

5,000 TIRES, THEY WOULD HAVE BEEN SUBJECT TO -- IMMEDIATELY TO -- TO CLOSURE, SO --

CHAIRMAN PENNINGTON: MR. JONES.

MR. JONES: MR. CHAIRMAN, I HAVE ANOTHER QUESTION. I'M GOING TO -- I'M GOING TO PROPOSE OPTION 1 LIKE EVERYBODY WANTS OUT OF THE TIRE FUND, BUT SINCE FORECLOSURE, THE WASTE BOARD IS THE LAND OWNER NOW? AND I'M A PRETTY BIG PROPONENT OF COST RECOVERY.

SO I'M JUST WONDERING, MR. CHANDLER, WHAT KIND OF COST RECOVERY ARE WE GOING AFTER ON THIS PROJECT AS WE -- AS WE TEAR INTO THIS TIRE PILE? DOES THE 240- COME OUT OF THE -- NO, I'M -- I'M BEING FACETIOUS. IT'S TOUGH, THOUGH, I TELL YOU.

MR. EATON: WHERE IS THIS PROPERTY, JUST OUT OF CURIOSITY?

CHAIRMAN PENNINGTON: IS IT CLOSE ENOUGH FOR US TO BUILD OUR BUILDING ON?

MR. EATON: MY SENTIMENTS EXACTLY. YOU KNEW WHERE I WAS GOING.

MR. JOHNSON: THIS PROPERTY IS ABOUT 45 MINUTES EAST FROM THE CITY OF RIVERSIDE NEXT TO THE GOLF COURSE. HIGHWAY 60 AND 215.

CHAIRMAN PENNINGTON: SOUNDING BETTER ALL THE TIME.

MR. EATON: I WOULD MAKE A MOTION THAT WE CONTINUE THIS UNTIL WE CAN SEE THE MAP.

MS. TRGOVCICH: JUST TO BRIEFLY RESPOND TO YOUR COMMENT -- NO, NOT THE BUILDING, BUT IN TERMS OF THE PROCEEDING TO TAKE ACTION.

I THINK WE, WHO ARE CURRENTLY IN THE LOAN PROGRAM, STRONGLY AGREE WITH YOU. YOU'LL REMEMBER THAT VERY RECENTLY WE SENT YOU A MEMO, INDICATING THAT WE HAVE PROCEEDED TO TAKE FORECLOSURE ACTION ON A LOAN WHERE THEY ARE DELINQUENT ON THREE -- THEY WERE DELINQUENT BY THREE PAYMENTS AT THE TIME THAT WE DECIDED TO TAKE ACTION. THEY ARE NOW DELINQUENT ON SIX, GOING ON SEVEN PAYMENTS. SO WE'VE DEFINITELY ACCELERATED THAT.

AND WE'VE DETERMINED THAT THERE'S A CERTAIN POINT IN TIME AT WHICH YOU ARE LOSING MONEY BY PURSUING ACTION ON YOUR LOAN, AND SO YOU HAVE TO PROCEED IN A VERY SHORT ORDER TO BE ABLE TO MAKE IT A COST-EFFECTIVE RECOVERY.

AND TO MEMBER JONES, IT'S NOT 241,000 NOW, BUT THE BID CAME IN AT 194,650.

MR. JONES: SO THE LAND OWNER DOESN'T HAVE TO SPEND AS MUCH TO PAY US BACK, THE TIRE PROGRAM?

MS. TRGOVCICH: RIGHT.

MR. JONES: PERFECT. MR. CHAIRMAN?

CHAIRMAN PENNINGTON: YES.

MR. JONES: I'D LIKE TO MOVE RESOLUTION 199 -- OH, BOY -- 1999-12 TO USE TIRE FUNDS TO CLEAN UP THIS ILLEGAL TIRE PILE THAT IS NOW OWNED BY THE WASTE BOARD.

Please Note: These transcripts are not individually reviewed and approved for accuracy.

MR. ROBERTI: SECOND.

CHAIRMAN PENNINGTON: OKAY. IT'S BEEN MOVED BY MR. JONES, SECONDED BY SENATOR ROBERTI THAT WE ADOPT RESOLUTION 1999-12.

IF THERE'S NO FURTHER DISCUSSION, WILL THE SECRETARY CALL THE ROLL?

MS. KELLY: BOARD MEMBER EATON?

MR. EATON: AS A PROPERTY OWNER, AYE.

MS. KELLY: FRAZEE?

MR. EATON: NO CONFLICT THERE.

MR. FRAZEE: AYE.

MS. KELLY: JONES?

MR. JONES: AYE.

MS. KELLY: ROBERTI?

MR. ROBERTI: AYE.

MS. KELLY: CHAIRMAN PENNINGTON?

CHAIRMAN PENNINGTON: AYE.

MOTION CARRIES.

WE'LL MOVE TO ITEM 3, CONSIDERATION OF THE ADOPTION OF THE NEGATIVE DECLARATION AND THE PROPOSED REGULATIONS FOR THE FARM AND RANCH SOLID WASTE CLEANUP AND ABATEMENT GRANT PROGRAM.

JULIE NAUMAN.

MS. NAUMAN: GOOD MORNING, MR. CHAIR AND MEMBERS. MY NAME IS JULIE NAUMAN, DEPUTY DIRECTOR OF THE PERMITTING AND ENFORCEMENT DIVISION. THE ITEM THAT WE HAVE THIS MORNING BEFORE YOU, ITEM NO. 3, IS THE FARM AND RANCH SOLID WASTE CLEANUP AND ABATEMENT GRANT PROGRAM REGULATIONS. I JUST WANT TO GIVE YOU A LITTLE BIT OF BACKGROUND BEFORE I ASK STAFF TO ADDRESS THE REGULATIONS SPECIFICALLY.

THE FARM AND RANCH SOLID WASTE CLEANUP AND ABATEMENT GRANT PROGRAM RESULTED FROM LEGISLATION IN 1977 CARRIED BY THEN SENATOR LOCKYER AND WAS KNOWN AS SB 1330. WE OFTEN REFER TO THE PROGRAM AS THE 1330 CLEANUP PROGRAM.

IT'S INTENDED TO PROVIDE GRANTS TO CITIES AND COUNTIES FOR CLEANUP OF ILLEGAL DUMP SITES ON FARM OR RANCH PROPERTIES. IT'S ANTICIPATED THAT THIS PROGRAM WILL SIGNIFICANTLY ENHANCE THE BOARD'S ABILITY TO ASSIST PRIMARILY RURAL AREAS OF THE STATE IN DEALING WITH PROBLEMS OF ILLEGAL DUMPING WHERE RESPONSIBLE PARTIES CANNOT BE IDENTIFIED, VERY SIMILAR TO OUR 2136 PROGRAM, BUT SPECIFICALLY FOCUSED ON FARM AND RANCH PROPERTIES.

SB 1330 REQUIRES THE BOARD TO ADOPT REGULATIONS FOR THE PROGRAM. OUR BOARD STAFF STARTED THE RULE-MAKING PROCESS IN EARLY 1988 WITH PUBLIC WORKSHOPS AND IN APRIL OF '88 -- I'M SORRY -- IN APRIL OF '98 THE BOARD APPROVED A 45-DAY PUBLIC COMMENT PERIOD. THE PUBLIC HEARING WAS CONDUCTED IN DECEMBER OF LAST YEAR TO ADDRESS THE 45-DAY COMMENT PERIOD, AND THEN THE BOARD APPROVED CHANGES FOR AN ADDITIONAL 15-DAY COMMENT PERIOD, WHICH HAS NOW CLOSED.

Please Note: These transcripts are not individually reviewed and approved for accuracy.

AT THIS POINT I'LL TURN THE PRESENTATION OVER TO SCOTT WALKER, BRANCH MANAGER OF OUR REMEDIATION AND CLOSURE BRANCH, AND HE'LL PRESENT THE RESULTS OF THAT 15-DAY REVIEW PERIOD AND PRESENT STAFF'S RECOMMENDATION.

MR. WALKER: THE 15-DAY PUBLIC COMMENT PERIOD FOR THE PROPOSED REGULATIONS CONCLUDED JANUARY 7TH. THERE WERE NO COMMENTS RECEIVED. IN ADDITION, A NEGATIVE DECLARATION WAS PROCESSED FOR PUBLIC COMMENT PURSUANT TO THE CALIFORNIA ENVIRONMENT QUALITY ACT, AND NO COMMENTS WERE RECEIVED CONCERNING THE NEGATIVE DECLARATION.

AT THE DECEMBER PUBLIC HEARING, PUBLIC TESTIMONY RAISED THE QUESTION AS TO WHETHER OR NOT A JOINT POWERS AUTHORITY OR JPA COULD APPLY FOR A GRANT UNDER THE PROGRAM. BOARD LEGAL STAFF HAVE DETERMINED THAT THE STATUTORY AUTHORITY FOR THE PROPOSED REGULATIONS ALLOWS THE BOARD ONLY TO ISSUE GRANTS TO THE INDIVIDUAL CITIES OR COUNTIES AND NOT TO A JOINT POWERS AUTHORITY.

ON ANOTHER NOTE, STAFF WILL BE BRINGING BACK ANOTHER -- ANOTHER ITEM WHICH WILL BE FOR APPROVAL OF THE APPLICATION AND THE SCORING AND RANKING PROCESS. THERE WILL BE A SEPARATE ITEM THAT -- FOR THE BOARD TO APPROVE. IT WILL BE PRESENTED IN ACCORDANCE WITH STANDARD BOARD GRANT PROCEDURES THAT WE'VE ESTABLISHED.

IN CONCLUSION, BOARD STAFF RECOMMEND ADOPTION OF RESOLUTION 99-34 APPROVING THE NEGATIVE DECLARATION AND RESOLUTION 99-35 APPROVING THE PROPOSED REGULATIONS FOR THE FARM AND RANCH SOLID WASTE CLEANUP AND ABATEMENT GRANT PROGRAM.

I'D BE HAPPY TO ANSWER ANY QUESTIONS.

CHAIRMAN PENNINGTON: QUESTIONS OF STAFF?

IF NOT --

MR. EATON: I'D BE HAPPY TO MOVE THE FIRST OF TWO RESOLUTIONS, MOVE THAT WE ADOPT RESOLUTION 1999-34 REGARDING THE ADOPTION OF THE NEGATIVE DECLARATION AS IT PERTAINS TO THE FARM AND RANCH CLEANUP AND ABATEMENT GRANT PROGRAM.

MR. JONES: I'LL SECOND.

CHAIRMAN PENNINGTON: OKAY. IT'S BEEN MOVED BY MR. EATON AND SECONDED BY MR. JONES THE ADOPTION OF RESOLUTION 9934.

IF THERE'S NO FURTHER DISCUSSION, WILL THE SECRETARY CALL THE ROLL, PLEASE.

MS. KELLY: BOARD MEMBER EATON?

MR. EATON: AYE.

MS. KELLY: FRAZEE?

MR. FRAZEE: AYE.

MS. KELLY: JONES?

MR. JONES: AYE.

MS. KELLY: ROBERTI?

MR. ROBERTI: AYE.



Please Note: These transcripts are not individually reviewed and approved for accuracy.

MS. KELLY: CHAIRMAN PENNINGTON?

CHAIRMAN PENNINGTON: AYE.

MOTION CARRIES.

MR. EATON: WITH REGARD TO ITEM -- MR. CHAIR, I WOULD MOVE THAT WE ADOPT RESOLUTION 1999-35, WHICH WOULD BE THE ADOPTION OF THE REGULATION FOR THE FARM AND RANCH SOLID WASTE CLEANUP AND ABATEMENT GRANT PROGRAM.

MR. JONES: I'LL SECOND.

CHAIRMAN PENNINGTON: MR. -- I MEAN MR. EATON MOVES, MR. JONES SECONDS THE ADOPTION OF RESOLUTION NO. 1999-35.

IF THERE'S NO FURTHER DISCUSSION, WILL THE SECRETARY CALL THE ROLL.

MS. KELLY: BOARD MEMBER EATON?

MR. EATON: AYE.

MS. KELLY: FRAZEE?

MR. FRAZEE: AYE.

MS. KELLY: JONES?

MR. JONES: AYE.

MS. KELLY: ROBERTI?

MR. ROBERTI: AYE.

MS. KELLY: CHAIRMAN PENNINGTON?

CHAIRMAN PENNINGTON: AYE.

MOTION CARRIES.

WE'LL MOVE TO ITEM 4, CONSIDERATION OF A REVISED SOLID WASTE FACILITY PERMIT FOR THE MID-VALLEY SANITATION LANDFILL -- SANITARY LANDFILL IN SAN BERNARDINO COUNTY.

JULIE NAUMAN.

KAREN BENNETT?

MS. NAUMAN: MR. CHAIRMAN, PAUL WILLMAN WAS GOING TO MAKE THE PRESENTATION THIS MORNING. HE WAS NOT ABLE TO STAY, AND SO DIANNE OHIOSUMUA, IF I'M SAYING HER NAME CORRECTLY, WILL MAKE THE PRESENTATION OF THE STAFF.

CHAIRMAN PENNINGTON: OKAY. THANK YOU.

MS. OHIOSUMUA: GOOD MORNING. THIS ITEM REGARDS THE CONSIDERATION OF A SOLID WASTE FACILITY PERMIT FOR THE MID-VALLEY SANITARY LANDFILL LOCATED IN SAN BERNARDINO COUNTY.

THE PROPOSED PERMIT IS TO ALLOW THE FOLLOWING: A LATERAL EXPANSION THAT WOULD INCREASE THE PERMITTED AREA FROM 147 ACRES TO 498 ACRES, AN INCREASE IN THE DAILY TRAFFIC VOLUME FROM 1,012 TO A MAXIMUM OF 2,500 VEHICLES, EXPAND SITE ACTIVITIES FROM 10 HOURS TO 13 HOURS PER DAY, AN INCREASE IN THE MAXIMUM RATE OF DAILY WASTE ACCEPTANCE FROM 4,000 TO A MAXIMUM DAILY RATE OF 7,500 TONS. STIPULATED IN THE SOLID WASTE FACILITY PERMIT IS A NEWLY CALCULATED DESIGN CAPACITY OF 62 MILLION CUBIC YARDS, WHICH RESULTED FROM THE PROPOSED LATERAL EXPANSION. ESTABLISHING THE SOLID WASTE FACILITY PERMIT A MAXIMAL LANDFILL ELEVATION OF 1,750 FEET ABOVE SEA LEVEL, WHICH IS 100 FEET ABOVE EXISTING GRADE. ON THE BASIS OF THE LATERAL

Please Note: These transcripts are not individually reviewed and approved for accuracy.

EXPANSION AND CAPACITY STIPULATED IN THE SOLID WASTE FACILITY PERMIT, THE ESTIMATED CLOSURE DATE WOULD BE 2033. AN AGGREGATE RECOVERY PROCESSING AND BATCH PLANT TO OPERATE ON SITE CONCURRENTLY WITH LANDFILL DISPOSAL ACTIVITIES, TO INCORPORATE INTO THE TERMS AND CONDITION OF THE SOLID WASTE FACILITY PERMIT THE JOINT -- THE NEW JOINT TECHNICAL DOCUMENT DATED MAY 1998 AS A SUPPORTING DOCUMENT THAT DESCRIBES THE CURRENT OPERATIONS.

THE OWNER AND OPERATOR OF LANDFILL IS THE COUNTY OF SAN BERNARDINO'S WASTE SYSTEMS DIVISION. UNDER CONTRACT FOR THE DAY-TO-DAY LANDFILL OPERATIONS PERFORMED BY NORCAL SAN BERNARDINO, INC. BOARD STAFF AND THE LEA HAS DETERMINED THAT ALL OF THE REQUIREMENTS FOR THE PROPOSED REVISED PERMIT HAVE BEEN MET, THAT THE BOARD APPROVED THE INTEGRATED WASTE MANAGEMENT PLAN FOR THE COUNTY OF SAN BERNARDINO IN NOVEMBER OF 1997. THE PROPOSED MID-VALLEY LANDFILL EXPANSION PROJECT IS IN CONFORMANCE WITH PRC SECTION 5001. THAT THE PROPOSED DESIGN AND OPERATION OF THE FACILITY AS DESCRIBED IN THE SUBMITTED JOINT TECHNICAL DOCUMENT AND AMENDMENTS THERETO WOULD ALLOW FOR THE LANDFILL OPERATIONS AND COMPLIANCE AND STATE STANDARDS AND THAT CEQA HAS BEEN COMPLIED WITH.

IN CONCLUSION, STAFF RECOMMENDS THAT THE BOARD ADOPT SOLID WASTE FACILITY PERMIT DECISION NUMBER 99-26 CONCURRENTLY WITH THE ISSUANCE OF THE SOLID WASTE FACILITY PERMIT NO. 36-AA-0055.

THE LEA MATT SLOWIK AND REPRESENTATIVES FROM THE OPERATOR, CARRIE HYKE AND ART RIVERA, ARE AVAILABLE TO ANSWER ANY QUESTIONS THAT YOU MAY HAVE.

CHAIRMAN PENNINGTON: QUESTIONS?

MR. JONES: MR. CHAIRMAN --

CHAIRMAN PENNINGTON: MR. JONES.

MR. JONES: I'D LIKE TO MOVE THIS RESOLUTION, AND THEN I'D LIKE TO MAKE A COMMENT AFTERWARDS.

CHAIRMAN PENNINGTON: SURE.

MR. JONES: RESOLUTION NO. 1999-26 FOR THE REVISED SOLID WASTE FACILITY PERMIT FOR; MID-VALLEY'S SANITARY LANDFILL.

MR. FRAZEE: I'LL SECOND THE MOTION.

CHAIRMAN PENNINGTON: OKAY. IT'S BEEN MOVED BY MR. JONES, SECONDED BY MR. EATON IN THE ADOPTION OF RESOLUTION 1999-26.

MR. JONES?

MR. JONES: MY ONE COMMENT, AND I HAVE -- I WANT TO JUST USE THIS PERMIT AS A -- AS A EXAMPLE, BECAUSE I THINK AT SOME TIME THIS BOARD NEEDS TO -- THE LEA HAS DONE A GOOD JOB HERE, BUT THERE'S A LOT -- I MEAN THE CONDITIONS ARE REDUNDANT IN THEIR -- IN THEIR STATEMENT OF STANDARDS. BUT I SEE THEM, AND EVERY TIME I GO THROUGH A PERMIT -- I'M USING THIS AS AN EXAMPLE OF BRINGING UP TO THIS BOARD, WHEN YOU GO THROUGH CONDITIONS AND YOU LOOK

Please Note: These transcripts are not individually reviewed and approved for accuracy.

AT THEM, YOU KNOW, IT SEEMS TO ME WE HAD PUT OUT AN LEA ADVISORY BACK IN AUGUST OF '98, TRYING TO ADVISE LEA IT'S NOT TO BE SO REDUNDANT AND TO, YOU KNOW -- I MEAN, THEY'RE STATEMENT OF STANDARDS, AND THEY -- YOU KNOW, THEY DON'T NEED TO BE STATED AS CONDITIONS.

AND IT WOULD JUST SEEM TO MAKE IT SIMPLER, MORE CONCISE, AND IT DOESN'T LOWER THE EXPECTATION -- YOU KNOW, THE HEALTH AND SAFETY ISSUES. AND IT -- IT'S JUST SOMETHING I'D LIKE, YOU KNOW, THE P AND E STAFF AND RALPH, WHEN YOU'RE WORKING -- I MEAN, IF THE BOARD CONCURS, YOU KNOW, WHEN YOU'RE WORKING UNDER -- WITH THE LEA'S, TO SEE IF WE CAN GET SOME OF THE OBVIOUS, YOU KNOW, THINGS THAT ARE ALREADY IN STATEMENT OF STANDARDS, NOT DUPLICATED AS THE CONDITION, BECAUSE IT -- IN MY MIND MEANS THAT'S A CONDITION THAT DOESN'T EXIST AT EVERY OTHER FACILITY IN THE STATE OF CALIFORNIA, WHEN, IN FACT, IT DOES. IT IS A STATEMENT OF STANDARD THAT YOU HAVE TO OPERATE TO. AND IT JUST MAKES SENSE TO KNOCK OFF, YOU KNOW, THE REDUNDANCY, BUT I --

AND I APOLOGIZE TO SAN BERNARDINO. YOU'RE THE ONLY PERMIT WE HAVE TODAY, AND IT -- IT CAME UP, AND I WANTED TO ADDRESS IT AS AN ISSUE. IT COULD HAVE BEEN ANYBODY'S PERMIT, BECAUSE I SEE THEM ALL THE TIME, AND THEY -- THEY MAKE ME CRAZY A LITTLE BIT.

MR. EATON: COULD A SITUATION ARISE THEN WHEREIN IF THEY PUT THE -- IN THE PERMIT AND ALL OF THE SUDDEN THE STATEMENT OF THE STANDARDS CHANGE, WOULD OURS CONTROL? I'M FOLLOWING UP ON YOUR POINT.

MR. JONES: RIGHT.

MR. EATON: BUT THAT'S KIND OF WHAT YOU'RE GETTING AT, RIGHT, IF WE WERE TO CHANGE THE MINIMUM STANDARD, WHATEVER IT MIGHT BE, AND THE CONDITIONS HERE, WHICH YOU WOULD CONTROL, I THINK THAT -- IS THAT SOMETHING THAT MIGHT OCCUR?

MR. JONES: YEAH. IT --

MR. EATON: I MEAN WE WOULD -- DO YOU KNOW WHAT I'M SAYING? IF -- IF IN THE PERMIT -- AND WE SHOULDN'T TAKE, YOU KNOW, I MEAN, IT'S NOT REALLY IN REGARDS TO SAN BERNARDINO, BUT, FOR INSTANCE, IF WE WERE TO CHANGE STATEMENT OF STANDARDS A YEAR FROM NOW, AND THERE WAS A STATEMENT OF STANDARD THAT WAS, AS YOU SAY, REDUNDANT IN HERE, WHICH WOULD CONTROL? IS THAT -- IS THAT KIND OF WHAT YOU'RE GETTING AT IN THAT REGARD?

MR. JONES: RIGHT.

MR. EATON: IS THAT ONE OF THE DOWN SIDES IN PUTTING THOSE IN THE PERMIT?

MR. JONES: WELL, IT'S -- THEY'RE PART OF THE -- WE GO THROUGH, READ PACKAGES. WE DO STATEMENTS OF STANDARDS. THEY'RE OUT THERE. IT'S LIKE ADC. WE HAVE THE LIFTS. WE KNOW WHAT THOSE ISSUES ARE. THEY HAVE THE STATEMENT OF STANDARDS. A LETTER IS A STATEMENT OF STANDARD. IF WE CHANGE THE STATEMENT OF STANDARD, ONE OF THE CONDITIONS IS YOU COMPLY. IF THEY DON'T -- IF

Please Note: These transcripts are not individually reviewed and approved for accuracy.

IT'S NOT ENOUGH THAT THEY WANT -- IF THEY WANT MORE, THEY CAN ADD IT TO A CONDITION, YOU KNOW, THEY CAN EXCEED --

MR. EATON: RIGHT.

MR. JONES: -- THAT STANDARD IN A CONDITION. IT'S THE IDEA THAT WHEN YOU READ JUST -- YOU KNOW, LINE AFTER LINE THAT OUR STATEMENT OF STANDARDS, IT JUST SEEMS REDUNDANT. AND THIS PROBABLY WENT ON TOO LONG, BUT I JUST WANTED TO, YOU KNOW, BRING IT UP AS AN ISSUE THAT I THINK WE NEED TO GET INTO.

CHAIRMAN PENNINGTON: MR. FRAZEE?

MR. FRAZEE: YES, I WANT TO EXTEND THIS A LITTLE FURTHER, BECAUSE I SHARE MR. JONES' CONCERN.

IN READING OVER THE 34 CONDITIONS ON THIS PERMIT, AND IT'S HARD TO TELL WHICH ONES ARE STATEMENT UNDER STANDARDS AND WHICH ONES AREN'T, AND I DON'T SEE ANY THAT GO INTO THE AREA OF APPROPRIATE LAND USE CONDITIONS, WHICH SHOULDN'T BE PART OF THIS PERMIT, BUT IT'S -- YOU KNOW, SOME OF THEM MAY BE QUESTIONABLE.

AND I THINK THERE WAS A COURT CASE IN -- IN THIS VERY AREA THAT RULED THAT CONDITIONS OF A PERMIT THAT WENT BEYOND MINIMUM STANDARDS WERE INVALID, IS THAT CORRECT, IN THE SAN MARCOS CASE WHICH WAS HEARD IN RIVERSIDE COURT, THE CONDITIONS HAVING TO DO WITH LANDSCAPING AND THAT SORT OF THING WERE RULED TO BE ENFORCEABLE BY THE JURISDICTION, NOT BY - - AND AS A CONDITION -- A LAND USE CONDITION AND NOT BY THE WASTE BOARD OR ITS DESIGNEE.

MS. TOBIAS: I THINK THAT'S RIGHT.

MR. FRAZEE: SO, YOU KNOW, IT'S HARD TO TELL, BUT WHEN IT -- WHEN IT AMOUNTS TO 34, YOU BEGIN TO QUESTION THE APPROPRIATENESS OF SOME OF THEM.

MR. JONES: YEAH. IT WAS JUST AN ISSUE I WANTED TO RAISE.

CHAIRMAN PENNINGTON: OKAY. WE HAVE A MOTION ON THE FLOOR. WILL THE SECRETARY CALL THE ROLL?

MS. KELLY: BOARD MEMBER EATON?

MR. EATON: AYE.

MS. KELLY: FRAZEE?

MR. FRAZEE: AYE.

MS. KELLY: JONES?

MR. JONES: AYE.

MS. KELLY: ROBERTI?

MR. ROBERTI: AYE.

MS. KELLY: CHAIRMAN PENNINGTON?

CHAIRMAN PENNINGTON: AYE.

MOTION CARRIES.

WE'LL MOVE TO ITEM NO. 5, CONSIDERATION OF STAFF RECOMMENDATION ON THE ADEQUACY OF THE AMENDED COUNTYWIDE SITING ELEMENT FOR SAN BERNARDINO COUNTY.

MS. FRIEDMAN?

Please Note: These transcripts are not individually reviewed and approved for accuracy.

MS. FRIEDMAN: GOOD MORNING, CHAIRMAN PENNINGTON AND BOARD MEMBERS. BEFORE I TURN THE PRESENTATION OVER TO PAT SCHIAVO, I'D JUST LIKE TO PROVIDE A LITTLE BIT OF CONTEXT.

A COUNTYWIDE SITING ELEMENT IS AN ELEMENT OF THE LOCAL COUNTYWIDE INTEGRATED WASTE MANAGEMENT PLAN. IT IS IN THIS ELEMENT WHERE THE COUNTIES IDENTIFY THEIR STRATEGIES AND FACILITIES WHICH ALLOW THEM TO MAINTAIN 15 YEARS OF DISPOSAL CAPACITY. SAN BERNARDINO COUNTY IS REQUESTING AN UPDATE TO THEIR COUNTYWIDE SITING ELEMENT, WHICH IS ALREADY BOARD APPROVED.

WITH THAT, I'LL TURN THE PRESENTATION OVER TO PAT SCHIAVO.

SCHIAVO: GOOD MORNING, AGAIN.

THE COUNTY -- AS JUDY MENTIONED, THE COUNTY OF SAN BERNARDINO HAS SUBMITTED AN AMENDED COUNTYWIDE SITING ELEMENT, AND THE PURPOSE OF THE AMENDMENT IS TO EXPAND THREE LANDFILLS WITHIN THE AREA. ONE OF THOSE LANDFILLS IS LANDERS LANDFILL. THE OTHER IS VICTORVILLE AND, FINALLY, THERE'S MID-VALLEY LANDFILL.

THE COUNTY HAS APPROVED THROUGH RESOLUTION AND THE 24 LOCAL CITIES HAVE APPROVED THROUGH EITHER RESOLUTION OR INACTIVITY ON DECISION-MAKING PROCESS FOR THIS SITING -- SITING ELEMENT TO GO AHEAD AND GO FORWARD WITH IT. ALL THREE OF THE AFFECTED CITIES IN THE UNINCORPORATED COUNTY HAVE FOUND THAT THE LANDFILL EXPANSIONS ARE CONSISTENT WITH THE GENERAL PLAN AS REQUIRED BY PUBLIC RESOURCES CODE 41720.

BASED ON THE SUBMITTAL OF INFORMATION TO STAFF AND THEIR ANALYSIS, STAFF RECOMMENDS APPROVAL OF THE AMENDED COUNTYWIDE SITING ELEMENT AND HAS -- FEEL THAT THEY HAVE ADEQUATELY ADDRESSED ALL ISSUES.

CHAIRMAN PENNINGTON: OKAY. ANY QUESTIONS OF STAFF?

MR. FRAZEE: MR. CHAIRMAN, I'LL MOVE ADOPTION OF RESOLUTION 1999-13.

MR. JONES: I'LL SECOND.

CHAIRMAN PENNINGTON: OKAY. IT'S BEEN MOVED BY MR. FRAZEE AND SECONDED BY MR. JONES THE ADOPTION OF RESOLUTION 99-13.

IF THERE'S NO FURTHER DISCUSSION, WILL THE SECRETARY CALL THE ROLL?

ARE YOU -- ARE YOU DOING THE ROLL?

MS. MIGUELGORRY: BOARD MEMBER EATON?

MR. EATON: AYE.

MS. MIGUELGORRY: BOARD MEMBER FRAZEE?

MR. FRAZEE: AYE.

MS. MIGUELGORRY: BOARD MEMBER ROBERTI?

MR. ROBERTI: AYE.

MS. MIGUELGORRY: BOARD MEMBER JONES?

MR. JONES: AYE.

MS. MIGUELGORRY: CHAIRMAN PENNINGTON?

CHAIRMAN PENNINGTON: AYE.

Please Note: These transcripts are not individually reviewed and approved for accuracy.

MOTION CARRIES.

WE'LL MOVE TO ITEM NO. 6. CONSIDERATION OF STAFF RECOMMENDATIONS TO CHANGE THE BASE-YEAR FOR 1995 FROM THE PREVIOUSLY APPROVED SOURCE REDUCTION AND RECYCLING ELEMENT FOR THE CITY OF IRVINE IN ORANGE COUNTY.

JUDY?

MS. FRIEDMAN: GOOD MORNING, BOARD MEMBERS, AGAIN.

THERE'S BEEN A LOT OF DISCUSSION OF BASE-YEAR LATELY. TO REMIND EVERYONE, AS PART OF ITS LOCAL PLANS, EACH JURISDICTION IS REQUIRED TO IDENTIFY THE BASE GENERATION RATES. GENERATION, REMEMBER, IS THE SUM OF DIVERSION AND DISPOSAL.

BACK IN THE EARLY '90S JURISDICTIONS UNDERTOOK THESE STUDIES IN A VARIETY OF WAYS WITH LIMITED SUCCESS. MANY OF THE BASE-YEAR STUDIES WERE VERY FLAWED. OVER THE YEARS, THE EFFECT OF THE FLAWS BECAME MORE APPARENT AND ACUTE.

IN 1996 THE BOARD UNDERTOOK A YEAR-LONG PROCESS TO CATALOG AND ANALYZE THE BASE-YEAR ISSUES AND IDENTIFY SOLUTIONS. WORKING WITH 100-PLUS-PERSON WORKING GROUP, STAFF DEvised SEVERAL METHODS FOR FIXING THE PROBLEMS IN JURISDICTIONS BASE-YEAR STUDIES. THE BOARD ADOPTED THESE METHODS IN MARCH OF 1997. SINCE THAT TIME, SEVERAL JURISDICTIONS HAVE USED THE BOARD-APPROVED METHODS AND POLICIES FOR CORRECTING THEIR BASE-YEAR PROBLEMS.

IN REVIEWING JURISDICTIONS' PROPOSALS TO ADJUST THEIR BASE-YEAR RATES, STAFF REVIEW THEM TO SEE THEY FOLLOW THE BOARD-APPROVED METHODS, AND THIS IS THE BASIS OF OUR RECOMMENDATION THAT COMES BEFORE YOU.

WITH THAT, I'D LIKE TO TURN THE PRESENTATION OVER TO PAT SCHIAVO, WHO WILL DISCUSS THE PARTICULARS OF THIS ITEM.

MR. SCHIAVO: GOOD MORNING, AGAIN.

AS JUDY MENTIONED, MARCH OF 1997 THE BOARD RECOMMENDED SEVERAL DIFFERENT METHODS THAT JURISDICTIONS COULD USE TO EITHER FIX THEIR BASE-YEARS OR TO COME UP WITH A NEW BASE-YEAR. IN THIS PARTICULAR CASE, THE CITY OF IRVINE HAS CHOSEN TO DEVELOP A NEW BASE-YEAR REFLECTING 1995. THE BASIS OF THE BASE-YEAR IS ACTUALLY TWO PARTS VERSUS THE DISPOSAL SITE AND THEN THERE'S THE DIVERSION SITE.

REGARDING THE DISPOSAL SITE, THE CITY OF IRVINE HAS USED THE DISPOSAL REPORTING SYSTEM THAT THE BOARD MAINTAINS, WHICH REFLECTS INFORMATION FROM THE COUNTY OF ORANGE. THE OTHER SIDE OF THE EQUATION, THE CITY, WORKING WITH THEIR CONTRACTOR, SURVEYED LANDSCAPING OPERATORS WITHIN THE AREA, THEIR SOLID WASTE HAULERS, THE RECYCLERS IN THE AREA AS WELL AS PUBLIC WORKS DEPARTMENT TO DETERMINE THE TOTAL AMOUNT OF DIVERSION IN THE AREA.

SO ADDING THE DISPOSAL AMOUNT TO THE DIVERSION AMOUNT, WE COME UP WITH A GENERATION AMOUNT. HOWEVER, IN THIS PARTICULAR CASE, THE CITY OF IRVINE INCLUDED 30,000 TONS OF INERT

Please Note: These transcripts are not individually reviewed and approved for accuracy.

WASTE, WHICH IN STAFF'S REVIEW -- STAFF NOTICED UPON THEIR REVIEW.

UPON NOTICING THIS, STAFF WORKED WITH THE CITY OF IRVINE TO RECOGNIZE THAT THIS IS ERRONEOUS AND SHOULD NOT BE INCLUDED WITHIN THE CALCULATION. THE CITY OF IRVINE CONCURRED WITH THAT, AND SO, THEREFORE, WE HAVE A RECOMMENDATION TO OMIT THE 30,000 TONS FROM THE CALCULATION OF THE BASE-YEAR.

ALL THE OTHER INFORMATION HAS BEEN VERIFIED BY STAFF, AND STAFF FEELS VERY COMFORTABLE WITH THE CALCULATIONS AS PERFORMED AND ARE RECOMMENDING APPROVAL OF THIS CHANGE OF BASE-YEAR.

CHAIRMAN PENNINGTON: OKAY. ANY DISCUSSION OR QUESTIONS OF STAFF?

MR. EATON: JUST FOR MY OWN BACKGROUND INFORMATION, HISTORY, BECAUSE A LOT OF THE ACTION TOOK PLACE, THEY USED A COMPLETELY DIFFERENT CALCULATION, IRVINE, OR DID THEY USE THE SAME CALCULATION WITH DIFFERENT NUMBERS, FROM WHEN THE ORIGINAL --

MR. SCHIAVO: OH, THE ORIGINAL CALCULATION?

MR. EATON: YEAH.

MR. SCHIAVO: APPARENTLY THERE WAS A LOT OF FLOW OF WASTE THAT WAS COMING FROM OTHER COUNTIES THAT WERE ACCOUNTED INTO THEIR JURISDICTION AND SOME OF THEIR JURISDICTIONS' WASTE WAS INTO OTHER COUNTIES, SO NOBODY COULD ACCOUNT FOR THE ACCURACY OF THAT -- OF THAT AT THAT TIME.

AND IN 1990, FROM MY UNDERSTANDING, THERE WAS A LOT OF CONFUSION OVER HOW THEY EVEN PERFORMED THE CALCULATIONS BECAUSE THE PROGRAM IS NEW. AND SO APPARENTLY THERE'S BEEN A LOT OF TURNOVER IN STAFF, AND WHEN THEY WERE REVIEWING WHAT TOOK PLACE IN 1990, THEY FELT VERY UNCOMFORTABLE WITH THE BASIS FOR THOSE CALCULATIONS.

MR. EATON: SO DID THEY USE A NEW FORMULA TO CALCULATE THIS ONE? I'M JUST TRYING TO FIGURE OUT --

MR. SCHIAVO: OH, THE FORMULA IS THE SAME. IT'S A STATIC FORMULA.

MR. EATON: THAT'S WHAT I WAS ASKING YOU.

MR. SCHIAVO: OKAY.

MR. EATON: I'M TRYING TO GET IT RIGHT.

AND WHAT IS THE CHANGE FROM THE ORIGINAL -- NORMALLY WE HAVE A CHART THAT --

A OH, THE ACTUAL NUMBERS?

MR. EATON: -- COMPARES?

BECAUSE I COULD SEE WHERE THERE MIGHT NOT BE A NECESSITY IF THEY CHANGED FORMULAS BECAUSE THAT REALLY WOULDN'T BE RELEVANT IN THE SENSE THAT IF YOU USED THE SAME --

MR. SCHIAVO: SURE.

Please Note: These transcripts are not individually reviewed and approved for accuracy.

MR. EATON: IF YOU USE A DIFFERENT FORMULA, OF COURSE YOU'RE GOING TO COME UP WITH A DIFFERENT FIGURE, SUPPOSEDLY, OR SOMETHING CLOSE, BUT --

MR. SCHIAVO: I'LL TRY TO DO IT FROM MY RECOLLECTION OF SEEING THE CALCULATIONS. I BELIEVE THE ORIGINAL DISPOSAL CALCULATION WAS IN THE LOW -- EITHER THE HIGH 190,000S OR LOW 200,000S. THE DIVERSION NUMBER WAS LOWER. THE NET EFFECT WAS AT 10.6 DIVERSION RATE FOR 1990.

MR. EATON: THANK YOU.

CHAIRMAN PENNINGTON: OKAY. ANY OTHER DISCUSSION? IF NOT, I'LL ENTERTAIN A MOTION.

MR. FRAZEE: MR. CHAIRMAN, I MOVE ADOPTION OF RESOLUTION OF 1999-01.

CHAIRMAN PENNINGTON: OKAY.

MR. JONES: I'LL SECOND.

CHAIRMAN PENNINGTON: OKAY. IT'S BEEN MOVED BY MR. FRAZEE, SECONDED BY MR. JONES THE ADOPTION OF RESOLUTION 99 -- 1999-01.

IF THERE'S NO FURTHER DISCUSSION, WILL THE SECRETARY CALL THE ROLL?

MS. KELLY: BOARD MEMBER EATON?

MR. EATON: AYE.

MS. KELLY: FRAZEE?

MR. FRAZEE: AYE.

MS. KELLY: JONES?

MR. JONES: AYE.

MS. KELLY: ROBERTI?

MR. ROBERTI: AYE.

MS. KELLY: CHAIRMAN PENNINGTON?

CHAIRMAN PENNINGTON: AYE.

MOTION CARRIES.

AND MOVE TO ITEM NO. 7, CONSIDERATION OF APPROVAL FOR RENUMBERING THE RESOLUTIONS FOR LAKE COUNTY SUMMARY PLAN, SITING ELEMENT, AND COUNTYWIDE INTEGRATED WASTE MANAGEMENT PLAN APPROVED ON DECEMBER 15TH, 1998 BY THE BOARD.

JUDY FRIEDMAN.

MS. FRIEDMAN: HAD TO PULL OUT MY BINDER.

THIS ITEM IS A HOUSEKEEPING ITEM. IN DECEMBER, WHEN WE CAME BEFORE THE BOARD, WE HAD IDENTIFIED THE WRONG RESOLUTION NUMBERS FOR THE THREE RESOLUTIONS THAT TOOK CARE OF THAT PARTICULAR ITEM, AND THE CORRECTED RESOLUTION NUMBERS ARE IDENTIFIED IN THIS ITEM. AND IF THE BOARD WOULD SIMPLY READOPT THIS WITH THE CORRECT RESOLUTION NUMBERS, THEN WE WOULD HAVE THE RECORD BEING ACCURATE.

CHAIRMAN PENNINGTON: SO DO YOU WANT US TO GO THROUGH EACH ONE 98416, 417 OR CAN WE JUST DO IT IN ONE MOTION?

MS. FRIEDMAN: YOU'LL HAVE TO REFER TO LEGAL ON THAT.

MS. TOBIAS: IF YOU WANT TO DO IT ON ONE MOTION, I DON'T HAVE A PROBLEM WITH THAT.



Please Note: These transcripts are not individually reviewed and approved for accuracy.

CHAIRMAN PENNINGTON: OKAY.

MR. ROBERTI: MR. CHAIRMAN, I MOVE 98416, 98417 AND 98418.

MR. FRAZEE: SECOND.

CHAIRMAN PENNINGTON: OKAY. IT'S BEEN MOVED BY SENATOR ROBERTI AND SECONDED BY MR. FRAZEE THE ADOPTION OF RESOLUTION 98416, RESOLUTION 98417 AND RESOLUTION 98418.

IF THERE'S NO FURTHER DISCUSSION, WILL THE SECRETARY CALL THE ROLL, PLEASE?

MS. KELLY: BOARD MEMBER EATON?

MR. EATON: AYE.

MS. KELLY: FRAZEE?

MR. FRAZEE: AYE.

MS. KELLY: JONES?

MR. JONES: AYE.

MS. KELLY: ROBERTI?

MR. ROBERTI: AYE.

MS. KELLY: CHAIRMAN PENNINGTON?

CHAIRMAN PENNINGTON: AYE.

MOTION CARRIES.

WE'LL MOVE TO ITEM NO. 8, CONSIDERATION OF AWARDED CERTIFICATES OF ACHIEVEMENT TO JURISDICTIONS THAT SATISFIED THE FIRST DIVERSION RATE MANDATE OF 25 PERCENT OR HAVING DEMONSTRATED GOOD-FAITH EFFORTS AND HAVING HAD THEIR BIENNIAL REVIEW APPROVED BY THE BOARD.

THIS WILL BE PRESENTED BY BOARD MEMBER STEVEN JONES.

MR. JONES: MR. CHAIRMAN, ACTUALLY CALVIN WAS GOING TO -- WHO WROTE THIS ITEM WAS GOING TO COME DOWN AND DO IT, AND THEN HE GOT SICK SO --

CHAIRMAN PENNINGTON: WELL, WE CAN PUT IT OVER, IF YOU WANT.

MR. JONES: NO, NO. STAFF -- STAFF OFFERED TO DO IT, BUT JUST IN A NUTSHELL, WE HAD MADE A DETERMINATION, WHICH ACTUALLY AN AWFUL LOT OF PEOPLE MAKE COMMENTS, I GUESS, TO ME -- I DON'T KNOW IF ANY OF YOU HEARD IT -- BUT AS PART OF THE AMERICA RECYCLES DAY EVENTS TO TIE TO ARD, THE AWARD OF CERTIFICATES TO CITIES AND COUNTIES THAT HAD MET THE 25-PERCENT MANDATE AT THAT TIME, IT SEEMED LIKE AN APPROPRIATE VEHICLE TO LET CITIES AND COUNTIES KNOW THAT THE WASTE BOARD ACKNOWLEDGES THE EFFORTS THAT THEY PUT IN TO MEET THOSE MANDATES. WE TIED IT TO ARD BECAUSE PART OF OUR MISSION IS TO COMPLETE THE LOOP.

ARD IS ABOUT BUYING AND RECYCLING. IT WAS A PERFECT PLATFORM FOR CITIES AND COUNTIES TO BE ABLE TO ACCEPT THOSE AWARDS AT AMERICA RECYCLES DAY EVENTS, AND THEY WERE SUCCESSFUL. YOU ALL PARTICIPATED. AND NOW WE'VE GOT A LOT OF CITIES AND COUNTIES THAT WANT THIS CERTIFICATE, AND IF THERE'S 536 CITIES, THERE'S SIX OF US AND A LOT OF THINGS TO DO. SO THERE ARE OPTIONS. HOW DO WE GET THEM OUT?

Please Note: These transcripts are not individually reviewed and approved for accuracy.

THE OPTIONS ARE THAT WE COULD MAIL THEM, WHICH IS APPROPRIATE. WE COULD MAIL MOST OF THEM AND IN -- IN SOME AREAS WHERE THERE HAVE BEEN BIG EVENTS, YOU KNOW, WE COULD LOOK AT THAT TO -- MAYBE A BOARD MEMBER COULD GO DOWN AND MEET -- YOU KNOW, DO THEM WITH THREE OR FOUR JURISDICTIONS, BUT I THINK THAT WOULD HAVE TO BE LIMITED JUST BECAUSE OF THE SCOPE OR WE DON'T DO ANYTHING, AND WE DECIDE THAT WE'LL KEEP IT TIED TO AMERICA RECYCLES DAY EVENTS OR OTHER EVENTS THAT HELP PROMOTE THE MISSION OF THIS BOARD.

AND I'M NOT -- YOU KNOW, I -- AND, AGAIN, I THINK ANY WAY THIS BOARD WANTS TO DO IT IS FINE, BUT IT DID HAVE AN IMPACT TO BE ABLE TO CLOSE THE LOOP AND ACKNOWLEDGE CITIES' AND COUNTIES' EFFORTS, AND I THINK THAT'S IMPORTANT, BUT I ALSO THINK GETTING TO 536 CITIES AND COUNTIES IS GOING TO BE PRETTY TOUGH, SO --

CHAIRMAN PENNINGTON: WHAT -- WHAT ARE YOU RECOMMENDING?

MR. JONES: I AM --

CHAIRMAN PENNINGTON: THAT WE ADOPT 99-47?

MR. JONES: WHICH IS --

MR. EATON: MR. EPPE SHOULD HAVE HAD TO MAKE THE PRESENTATION FROM THE LECTURE. WE COULD HAVE ASKED A PEPPER OF QUESTIONS.

MR. JONES: WE -- YEAH, I'M RECOMMENDING THAT -- LET ME SEE -- THAT WE MAIL THEM TO THEM, IF THAT WILL WORK.

MR. EATON: FIRST CLASS OR BULK?

MR. JONES: BULK. FIRST CLASS FOR THE EFFORT.

MS. KELLY: COME TO THE BOARD MEETING.

MR. JONES: THEY'RE NOT GOING TO COME TO THE BOARD MEETING.

SO LET ME READ THIS TO MYSELF, BECAUSE I WASN'T SURE WHICH ONE WE DECIDED TO PUT IN, UNLESS ONE OF THE OTHER BOARD MEMBERS HAS AN OPTION THAT THEY LIKE.

CHAIRMAN PENNINGTON: I LIKE YOUR OPTION, TO MAIL THEM.

MR. EATON: I THINK HE'S DOING VERY WELL.

CHAIRMAN PENNINGTON: AFTER --

MR. ROBERTI: OPTION TWO, WE'RE MAILING ALL THIS NOW?

CHAIRMAN PENNINGTON: RIGHT.

MS. KELLY: SO CHANGE THE RESOLUTION?

CHAIRMAN PENNINGTON: I GUESS WE HAVE TO, YEAH.

MR. JONES: SO WAS THAT A MOTION THAT WE MAIL THESE THINGS, WHICH IS FINE. I'LL SECOND IT IF MR. -- IF SENATOR ROBERTI MADE IT.

MS. KELLY: I CHANGED THE RESOLUTION.

MR. ROBERTI: I'LL MAKE THE MOTION TO MAIL THEM.

MR. JONES: OKAY.

MR. ROBERTI: THAT'S ITEM 2 -- I MEAN THAT'S OPTION 2.

CHAIRMAN PENNINGTON: OPTION 2.

MS. KELLY: BUT THAT SAYS ITEMS IN THE APRIL BOARD MEETING. ARE WE GOING DO THAT ALSO?

MR. JONES: DOES IT? WAIT A MINUTE.

Please Note: These transcripts are not individually reviewed and approved for accuracy.

MR. ROBERTI: OH, IT DOES?

MS. KELLY: THAT'S WHAT THE RESOLUTION READS.

MR. JONES: WELL, YEAH, BUT OPTION 2 -- OKAY.

MR. ROBERTI: I WOULD DO OPTION 2, AND WITHOUT A FORMAL INVITATION, JUST, HEY, IF THEY KNOW ABOUT THE MEETING AND THEY WANT TO COME, THEY'RE WELCOME, BUT, I THINK -- I THINK IT'S A BIT MUCH TO INVITE THE ENTIRE WORLD OF LOCAL GOVERNMENT FOR A MEETING.

CHAIRMAN PENNINGTON: RIGHT. OKAY. SO WE COULD SAY WE'LL ADOPT OPTION NO. 2 AND LEAVE IT AT THE DISCRETION OF THE JURISDICTION AND THE BOARD WHEN THEY APPEAR. OTHERWISE, WE'LL MAIL THEM.

MS. KELLY: AMEND THE RESOLUTION?

CHAIRMAN PENNINGTON: RIGHT. THEY'RE NOT GOING TO ADOPT THAT RESOLUTION.

SO IF I MAY, SENATOR MOVES THE ADOPTION OF OPTION NO. 2 WITH THE -- AS AMENDED, RIGHT?

MR. JONES: I'LL SECOND.

CHAIRMAN PENNINGTON: AND SECONDED BY MR. JONES, AND IF THERE'S NO FURTHER DISCUSSION -- MR. CHANDLER?

MR. CHANDLER: SORRY. NOT TO BELABOR THIS ISSUE, BUT IF WE COULD POTENTIALLY LEAVE OPEN THE OPTION OF TAKING ADVANTAGE OF THE UPCOMING CSAC CONFERENCE OR THE LEAGUE OF CITY CONFERENCE, IF THERE'S ANYTHING THERE THAT THE BOARD MIGHT WANT TO TAKE ADVANTAGE OF, THAT MIGHT BE THE APPROPRIATE SETTING AS WELL TO GET OUR ISSUE HIGH ON THEIR AGENDA, ONCE AGAIN, AND ACKNOWLEDGE CITIES --

MR. ROBERTI: I'D AMEND MY RESOLUTION TO TAKE THE LOCAL CSAC CONFERENCE OR IS IT CONFERENCE -- CONFERENCE -- CONFERENCE INTO CONSIDERATION AND -- AS AN APPROPRIATE TIME TO DISTRIBUTE THESE OR SOME OF THEM WITH THE DISCRETION -- WITHIN THE DISCRETION OF THE CHAIR.

CHAIRMAN PENNINGTON: RIGHT. RIGHT. THERE WE GO.

MR. JONES: AND THAT INCLUDES THE LEAGUE OF CITIES STUFF.

MR. ROBERTI: AND THE LEAGUE OF CITIES AS WELL.

CHAIRMAN PENNINGTON: VERY GOOD. THANK YOU.

OKAY. IT'S BEEN MOVED AND SECONDED, AND IF THERE'S NO FURTHER -- NO FURTHER DISCUSSION, WILL THE SECRETARY CALL THE ROLL?

MS. KELLY: BOARD MEMBER EATON?

MR. EATON: AYE.

MS. KELLY: FRAZEE?

MR. FRAZEE: AYE.

MS. KELLY: JONES?

MR. JONES: AYE.

MS. KELLY: ROBERTI?

MR. ROBERTI: AYE.

MS. KELLY: CHAIRMAN PENNINGTON?

Please Note: These transcripts are not individually reviewed and approved for accuracy.

CHAIRMAN PENNINGTON: AYE.

MOTION CARRIES.

THAT COMPLETES OUR AGENDA FOR THE DAY.

THIS IS NOW THE TIME FOR OPEN DISCUSSION, IF ANYBODY IN THE AUDIENCE WISHES TO DISCUSS A MATTER BEFORE THE BOARD, I'M WILLING TO HEAR IT NOW.

MR. JONES: DO WE HAVE TO MAKE A COMMENT?

CHAIRMAN PENNINGTON: NO, I'VE POLLED.

MR. JONES: OH, YOU ALREADY POLLED?

CHAIRMAN PENNINGTON: OKAY. IF THERE ISN'T ANY, WE ARE ADJOURNED.

(THE PROCEEDINGS CONCLUDED

AT 11:50 A.M.)

REPORTER'S CERTIFICATE

STATE OF CALIFORNIA )

)

COUNTY OF RIVERSIDE )

I, BARBARA R. REISDORF, A CERTIFIED SHORTHAND REPORTER, IN AND FOR THE STATE OF CALIFORNIA, DO HEREBY CERTIFY:

THAT THE FOREGOING PROCEEDINGS

WERE TAKEN DOWN BY ME IN STENOGRAPHY AT THE TIME AND PLACE HEREIN STATED AND THEREAFTER

REDUCED TO PRINT BY COMPUTER-AIDED TRANSCRIPTION UNDER MY DIRECTION.

DATED \_\_\_\_\_ DAY  
OF \_\_\_\_\_ 1999.

\_\_\_\_\_  
BARBARA R. REISDORF, CSR 7415